

# Medicare and the Marketplace

*Information about the  
Marketplace for those who  
counsel people with Medicare*

*July 2014*



# The Marketplace and People with Medicare

- This presentation will help you to explain the Marketplace to people
  - With Medicare
  - Aging into Medicare
  - Getting Social Security disability benefits
- When they may get coverage in the Marketplace, and when they can't
- Medicare Prescription Drug Coverage (Part D)

# Medicare and the Marketplace

- Medicare isn't part of the Marketplace
- If you have Medicare you're covered and don't need to do anything related to the Marketplace
- Marketplace doesn't offer Medigap or Part D plans
- It's against the law for someone who knows you have Medicare to sell you a Marketplace plan
  - Even if you only have Part A or Part B

# Medicare and the Marketplace (Continued)

- People with minimum essential coverage are covered and won't have to pay a fee
  - Part A is considered minimum essential coverage
  - Part B only is not considered minimum essential coverage
- If you retire before you're 65
  - You may use the Marketplace to buy a plan

# Marketplace and Becoming Eligible for Medicare

- You can get a Marketplace plan before your Medicare coverage begins
  - You may cancel the plan when Medicare coverage starts, or
  - You may keep the plan, but once your Part A coverage starts **you *won't* be able to get lower costs for your Marketplace plan**
- Sign up for Medicare during your Initial Enrollment Period
  - Or, if you enroll later, **you may have to pay a late enrollment penalty for as long as you have Medicare**

# Choosing Marketplace Instead of Medicare

- You can't choose Marketplace coverage over Medicare unless
  1. You pay or you'd have to pay a Part A premium
    - You can drop Part A and B and may be eligible to get a Marketplace plan
  2. You have a medical condition that qualifies you for Medicare (like ESRD) but haven't applied for Medicare
  3. You're not collecting Social Security retirement or disability benefits before you're eligible for Medicare
- If you delay enrolling in Medicare after your Initial Enrollment Period (IEP) ends, a late enrollment penalty may apply
  - You'd **only** be able to enroll during the Medicare General Enrollment Period (January 1 to March 31, coverage starting July 1)

# Medicare for People with Disabilities and the Marketplace

- You may qualify for Medicare based on a disability
  - You must be entitled to Social Security disability insurance (SSDI) benefits for 24 months
    - On the 25<sup>th</sup> month, you're automatically enrolled in Medicare Part A and B
- If you're getting SSDI, you can get a Marketplace plan to cover you during your 24 month waiting period
  - May qualify for premium tax credits and reduced cost-sharing until your Medicare coverage starts

# Medicare and Coverage through the Small Business Health Options Program (SHOP) and Eligible for Medicare

- Medicare Secondary Payer rules apply
- You may delay your Part B enrollment while covered
- You'll have a Special Enrollment Period (SEP) to sign up for Part B
  - Any time you're still covered based on your/your spouses' current employment
  - During 8-month period after employment/coverage ends
- **If you don't sign up for Part B during the SEP**
  - **You may have to pay a late enrollment penalty as long as you have Medicare**
  - **You can only enroll during the General Enrollment Period**

# The Marketplace and...

- Medicare prescription drug coverage (Part D)
  - Prescription drug coverage in Marketplace plans (including SHOP) isn't required to be creditable
    - Plan is required to let you know each year, in writing
    - You may have to pay a late enrollment penalty for Part D if you enroll after your Initial Enrollment Period
- Stand-alone vision and/or dental coverage for adults
  - Covered by some Marketplace plans
    - People with Medicare generally can't join a stand-alone Marketplace dental or vision plan unless in a State-based Marketplace and the state allows you to join (check with your state)

# Check Your Knowledge – Scenario 1

Jim has Medicare Part A only. He didn't enroll in Part B during his Initial Enrollment Period (IEP). He signed up for Part B in January 2014, during the General Enrollment Period, and his coverage will begin on July 1.

Can he enroll in a Marketplace plan while he waits for his Part B to take effect?



# Check Your Knowledge – Scenario 1 Discussion

No. Medicare Part A is considered minimum essential coverage. Jim can't get a Marketplace plan since he already has minimum essential coverage.

Remember, it is illegal for anyone to sell you a Marketplace plan if you have Medicare.



# Check Your Knowledge – Scenario 2

Barbara works part-time and isn't getting Social Security retirement benefits yet. Her employer doesn't offer health coverage, so she enrolled in a Marketplace plan. Her Medicare Initial Enrollment Period ends next month, but she decided to keep her Marketplace plan and wait to sign up for Medicare.

Will Barbara have a late enrollment penalty when she signs up for Medicare Part B?

What about Part D?

What else should you tell her?



# Check Your Knowledge – Scenario 2 Discussion

Barbara can choose Marketplace coverage if she's eligible for Medicare but hasn't enrolled in it (because she would have to pay a premium, or because she's not collecting Social Security benefits).

Before making this choice, there are two important points for Barbara to consider:

1. If she enrolls in Medicare after her IEP ends, she may have to pay a late enrollment penalty for as long as she has Medicare.
2. Generally she can enroll in Medicare **only** during the Medicare General Enrollment Period (from January 1 to March 31). Her coverage won't begin until July of that year.



# Check Your Knowledge – Scenario 2

## Discussion Continued

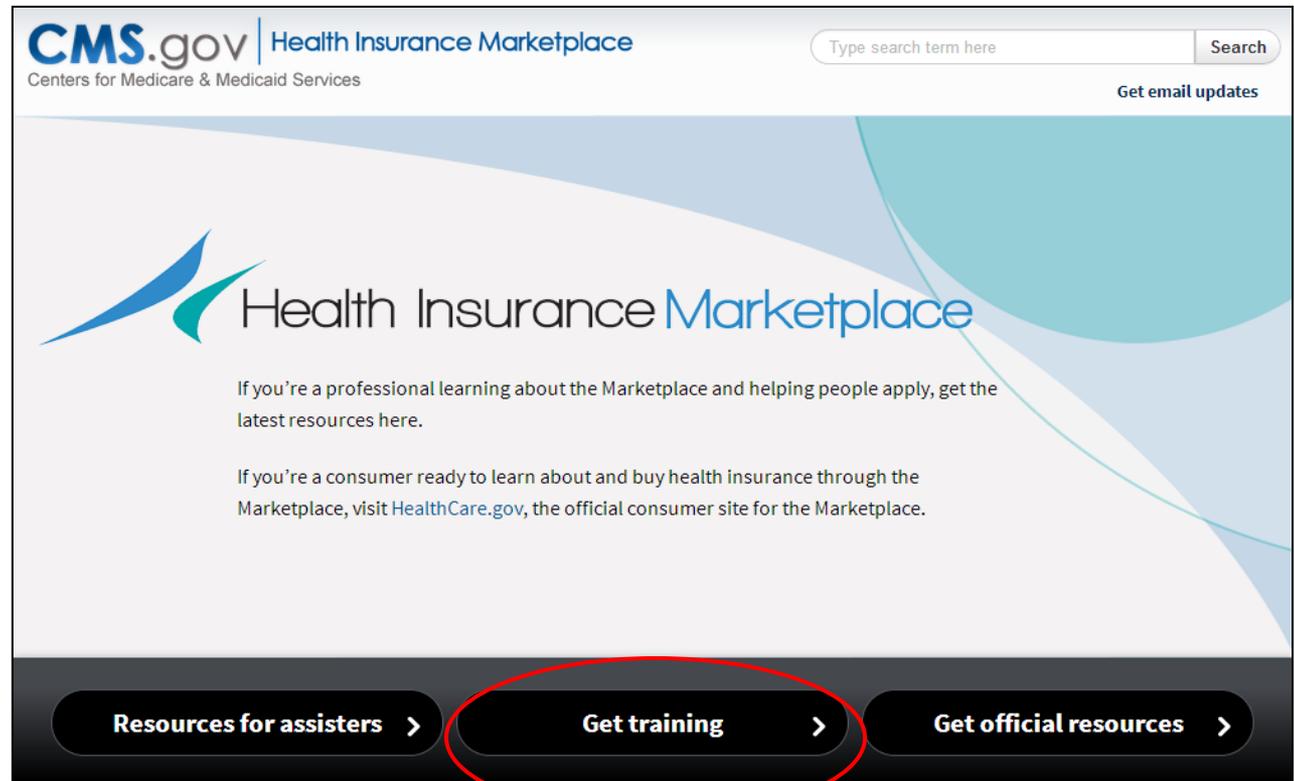
If her Marketplace plan's prescription drug coverage is not creditable, she may also have to pay a late enrollment penalty (LEP) for Medicare Part D coverage if she waits to enroll after her IEP.

Barbara should consider enrolling in Medicare to be sure she doesn't get an LEP for Part B and/or Part D. She can also choose to keep Marketplace coverage and also enroll in Medicare. In that case, Barbara won't be eligible for tax credits and there's no coordination of benefits, but it's her choice.



# Marketplace.cms.gov

Get the latest resources to help people apply, enroll, and get coverage



# Ways to Connect with the Marketplace

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2. [Twitter.com/HealthCareGov](https://twitter.com/HealthCareGov) – Follow @HealthCareGov
3. [Facebook.com/HealthCareGov](https://facebook.com/HealthCareGov)
4. [Youtube.com/HealthCareGov](https://youtube.com/HealthCareGov)
5. The Health Insurance Blog: [HealthCare.gov/blog/](http://HealthCare.gov/blog/)
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