



Powered by the Medicare Rights Center

**Webinar:**

# An Advocate's Guide to Medicare Part B Enrollment

April 2021

# About Medicare Rights

The Medicare Rights Center is a national, nonprofit consumer service organization that works to ensure access to affordable health care for older adults and people with disabilities through:

- Counseling and advocacy
- Educational programs
- Public policy initiatives

# Learning objectives



- After this presentation, you should be able to help clients enroll in Part B by:
  - Determining whether the client is eligible for the Initial Enrollment Period (IEP), Special Enrollment Period (SEP), Medicare Savings Program (MSP), equitable relief, or the General Enrollment Period (GEP)
  - Advising the client on how to request enrollment
  - Troubleshooting common issues with the enrollment process

Background

# Background

- Over 25% of calls to the Medicare Rights Center's national helpline relate to Part B enrollment
- Many individuals delay enrollment based on misinformation or lack of information
- Timely Part B enrollment is critically important for ensuring that these individuals avoid:
  - Gaps in coverage
  - Phantom coordination/higher out-of-pocket costs
  - Late enrollment penalties

# Gaps in coverage

- Outside of the special occasions when a person can enroll in Part B, they are limited to using the General Enrollment Period
- The GEP runs from January 1 through March 31 of each year
- If someone uses the GEP to enroll in Medicare Part B, their coverage will be effective on July 1 of that year

# Phantom coordination

- When someone is eligible for Part B but not enrolled, their secondary coverage does not have to pay primary for them
- **Example:** People with COBRA, retiree, or coverage from small employers should expect those plans to “phantom coordinate” with Medicare Part B even if they are not enrolled in Part B

# Higher out-of-pocket costs

- Phantom coordination results in higher cost-sharing
- Beneficiary is responsible for what Medicare would normally pay
  - If Medicare Part B normally pays 80% and the secondary coverage pays 20% of a service, then the secondary coverage will likely only pay 20% even though the person is not actually enrolled in Part B



# Part B late enrollment penalty

- For each 12-month period a beneficiary delays enrollment in Medicare Part B without insurance from their or their spouse's (or sometimes a family member's) current work, they will have to pay a 10% Part B premium penalty
- Part B penalty gets added onto the Part B premium
- **Example:** Someone who delays Part B enrollment for 5 years pays 50% penalty
  - Premium would be **\$222.75** ( $\$148.50 \times 1.5 = \$222.75$ ).

# Presentation scope

This webinar is designed to help advocates address the needs of individuals who are:

1. Eligible for Medicare due to age **and**
2. Eligible for Premium-free Part A

# Medicare enrollment basics for those 65+

# Part A enrollment

- If individual is 65+ and eligible for premium-free Part A, they can enroll in Part A at any time without delay in coverage or penalty
  - They can enroll when they first turn 65
  - If they enroll after they first turn 65, Part A will go 6 months retroactive (not before their 65<sup>th</sup> birthday month)
  - Enrolling in Social Security or Railroad Retirement benefits will enroll the individual in Part A

# Automatic enrollment

- Someone will be automatically enrolled in Medicare Part A and B if they are collecting Social Security Retirement before the age of 65
- Individuals who are automatically enrolled in Medicare can request to be disenrolled from Part B
  - Only advisable if they have insurance from either their or their spouse's current job

# Basic Part B enrollment counseling

Steps when counseling individuals who need to enroll in Part B:

- 1 Check the individual's eligibility for IEP or Part B SEP
- 2 Check their income to see if they might qualify for a Medicare Savings Program (MSP). MSPs will enroll an individual in Part B without penalty
- 3 Check to see if misinformation or a mistake might allow them to request equitable relief
- 4 Help individual enroll in Part B through the GEP

Initial Enrollment Period (IEP)

# IEP basics

- Individuals can use IEP to enroll in Medicare Part B when they first become Medicare-eligible when they turn 65
- IEP is 7-month period that includes:
  - 3 months before someone becomes Medicare-eligible
  - Month of Medicare eligibility
  - 3 months after someone becomes Medicare-eligible



# IEP enrollment dates

- The date Medicare coverage begins depends on when individual signs up
  - Enrolling during the **first three months** of IEP = coverage begins the month in which they first become Medicare-eligible
  - Enrolling during the **fourth month** of IEP = coverage begins the month following the month of enrollment
  - Enrolling during the **fifth month** of IEP = coverage begins the second month following the month of enrollment
  - Enrolling during the **sixth or seventh month** of IEP = coverage begins the third month following the month of enrollment

# Example timeline

**For example: If individual turns 65 in June...**

<b>Enroll any time in:</b>	<b>Coverage starts:</b>
March	June 1
April	June 1
May	June 1
June	July 1
July	September 1
August	November 1
September	December 1



**Note:** If someone's birthday is on the first of the month, their IEP is moved up one month.

For example, if someone's birthday is June 1, their IEP is from February to August.



# How to enroll using IEP

- Individuals can enroll by submitting CMS 40B to their local Social Security office
  - They should make sure to make copies of documents and take notes of any conversations they have



**Note:** If individual is enrolling in Medicare Part A and Part B at the same time, they can also enroll online:

<https://www.ssa.gov/benefits/medicare/>

# CMS 40B form

## APPLICATION FOR ENROLLMENT IN MEDICARE PART B (MEDICAL INSURANCE)

1. Your Medicare Number		
<hr/>		
2. Do you wish to sign up for Medicare Part B (Medical Insurance)? <input type="checkbox"/> YES		
3. Your Name (Last Name, First Name, Middle Name)		
<hr/>		
4. Mailing Address (Number and Street, P.O. Box, or Route)		
<hr/>		
5. City	State	Zip Code
<hr/>	<input type="text"/>	<input type="text"/>
6. Phone Number (including area code)		
( <input type="text"/> <input type="text"/> <input type="text"/> ) <input type="text"/> <input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/> <input type="text"/>		
7. Written Signature (DO NOT PRINT)		8. Date Signed
SIGN HERE		<input type="text"/> / <input type="text"/> / <input type="text"/> <input type="text"/>
<b>IF THIS APPLICATION HAS BEEN SIGNED BY MARK (X), A WITNESS WHO KNOWS THE APPLICANT MUST SUPPLY THE INFORMATION REQUESTED BELOW.</b>		
9. Signature of Witness	10. Date Signed	
<hr/>	<input type="text"/> / <input type="text"/> / <input type="text"/> <input type="text"/>	
11. Address of Witness		
<hr/>		
12. Remarks		
<hr/>		

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1230. The time required to complete this information is estimated to average 15 minutes per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, Attn: PRA Reports Clearance Officer, 7500 Security Boulevard, Baltimore, Maryland 21244-1850.

# SSA offices

- During the COVID-19 Public Health Emergency, SSA offices may be closed to the public
  - Beneficiaries should call their SSA office before submitting any enrollment paperwork
  - Beneficiaries can mail-in or fax forms to their local SSA office
    - In certain situations, in-person appointments can be scheduled
- Beneficiaries can use the [SSA office locator tool](#) to find their local SSA office's phone number

# Troubleshooting IEP enrollment



- If an IEP application is delayed:
  - Beneficiaries can reach out to the local office and request that the application be expedited
  - Beneficiaries can also reach out to Social Security public affairs specialists or elected officials



- If an IEP application is denied:
  - Beneficiaries can appeal the denial by following the instructions on the decision letter

# The Part B Special Enrollment Period (SEP)

# Delaying enrollment in Part B

- If covered by employer insurance from their or their spouse, a beneficiary can choose to delay enrolling in Part B
- Beneficiaries should typically only delay enrolling in Medicare Part B if they are covered by **primary** insurance from current employment



For those 65+, job-based insurance is primary if company has 20+ employees

**Note:** COBRA or retiree coverage is always secondary to Medicare



# Part B SEP eligibility

## **Two criteria for individual to be eligible for Part B SEP:**

1. Must have insurance from current work (group health plan from job, spouse's job, or sometimes a family member's job)—or have had such insurance within past eight months
2. Must have been continuously covered since becoming eligible for Medicare, including the month they became eligible for Medicare
  - Can have no more than eight consecutive months without coverage from either Medicare or job-based insurance

# Part B SEP and employer size



- Those with job-based insurance from large AND small current employers are eligible for the Part B SEP
  - Those with health insurance from small employer: should be advised to enroll in Medicare ASAP for primary insurance
  - Those with COBRA or retiree coverage are not eligible for the Part B SEP unless they had current employer coverage from their or their spouse's job within 8 months

# Part B SEP timing



- Individuals are eligible for the Part B SEP while covered by job-based insurance plan AND up to 8 months after
  - This is true as long as individual did not have more than an 8-month gap in coverage since they became eligible for Medicare and were covered by current employer insurance through their IEP
  - Beneficiaries should go to Social Security to enroll one month before their employer coverage ends



# How to enroll using Part B SEP

- Beneficiaries should complete and submit forms CMS 40B and CMS L564 to their local Social Security office
  - Beneficiary's employer should complete bottom part of the L564 form to provide evidence that the beneficiary has/had job-based insurance
    - Multiple employers = Multiple L564 forms
- Typically, Part B coverage should begin the first of the following month
  - If still employed or in the first full month after losing job-based coverage, can choose to have Part B begin the month of enrollment or any of the 3 months after

# CMS L564 form

## REQUEST FOR EMPLOYMENT INFORMATION

### SECTION A: To be completed by individual signing up for Medicare Part B (Medical Insurance)

1. Employer's Name		2. Date	
		□□ / □□ / □□□□	
3. Employer's Address			
City		State	Zip Code
		□□	□□□□□□
4. Applicant's Name		5. Applicant's Social Security Number	
		□□□□ - □□ - □□□□	
6. Employee's Name		7. Employee's Social Security Number	
		□□□□ - □□ - □□□□	

### SECTION B: To be completed by Employers


#### For Employer Group Health Plans ONLY:

1. Is (or was) the applicant covered under an employer group health plan? <input type="checkbox"/> Yes <input type="checkbox"/> No		
2. If yes, give the date the applicant's coverage began. (mm/yyyy)		
□□ / □□□□		
3. Has the coverage ended? <input type="checkbox"/> Yes <input type="checkbox"/> No		
4. If yes, give the date the coverage ended. (mm/yyyy)		
□□ / □□□□		
5. When did the employee work for your company?		
From: (mm/yyyy)	To: (mm/yyyy)	Still Employed: (mm/yyyy)
□□ / □□□□	□□ / □□□□	□□ / □□□□
6. If you're a large group health plan and the applicant is disabled, please list the timeframe (all months) that your group health plan was primary payer.		
From: (mm/yyyy)	To: (mm/yyyy)	
□□ / □□□□	□□ / □□□□	

#### For Hours Bank Arrangements ONLY:

1. Is (or was) the applicant covered under an Hours Bank Arrangement? <input type="checkbox"/> Yes <input type="checkbox"/> No	
2. If yes, does the applicant have hours remaining in reserve? <input type="checkbox"/> Yes <input type="checkbox"/> No	
3. Date reserve hours ended or will be used? (mm/yyyy)	
□□ / □□□□	

#### All Employers:

Signature of Company Official	Date Signed
	□□ / □□ / □□□□
Title of Company Official	Phone Number
	(□□□□) □□□□ - □□□□

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information is 0938-0787. The time required to complete this information collection is estimated to average 15 minutes per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or

# Other forms of proof of insurance



If employer cannot complete the L564 form, Social Security is required to accept many different kinds of evidence of job-based coverage, including, but not limited to:

- Income tax returns
- W-2s
- Pay stubs
- Receipts/statements showing payment of health insurance
- Premiums
- Cards or claims paid by the health insurance company

Case study

# Complicated IEP enrollment

Bradley turned 65 in December. He enrolled in Medicare Part A but delayed enrolling in Part B because he was employed and covered through his employer's large group health plan. However, he was unexpectedly laid off in February and his employer insurance ended at the end of the month. It is now March, and Bradley wants to enroll in Medicare Part B.

**Will Bradley enroll in Part B using his IEP or his SEP? When will Bradley's Part B begin?**



# Complicated IEP enrollment

- The IEP always takes precedence over Part B SEP
  - If Bradley applies for Part B in March (the 7<sup>th</sup> month of his IEP), his application will be processed as an IEP enrollment
- If Bradley enrolls in Part B in March, his Part B will begin in June
  - 7<sup>th</sup> month of IEP = Part B coverage begins 3 months later

# Complicated IEP enrollment

- If Bradley waits one month, he will be out of his IEP but still eligible for the SEP
- If Bradley enrolls in April, he will use his SEP to enroll in Part B
- When using the SEP, Medicare Part B begins the month after enrollment
  - Bradley's Part B will begin in May
- It may be beneficial for Bradley to wait one month before enrolling in Part B

# Medicare Savings Programs (MSPs)

# Medicare Savings Programs (MSPs)



- State-run programs that pay the Part B premium for Medicare beneficiaries with limited income and assets
- Enrollment in an MSP will enroll a beneficiary in Medicare Part B outside of normal enrollment periods and waive any Part B late enrollment penalty
  - Known as Part B Buy-In

# MSP eligibility

- Three main types of MSPs, each with different eligibility requirements and effective dates
- States use different rules to count income and assets to determine MSP eligibility
  - Some states do not count assets
- To qualify for MSP:
  - **Monthly income** generally must be below \$1,496 (\$1,980 for couple)
  - **Assets** generally must be below \$7,970 (\$11,960 for couple)
- Contact State Health Insurance Assistance Program (SHIP) for more information about MSPs in your state:

[www.shiptacenter.org](http://www.shiptacenter.org)

# How to enroll in MSP

- Beneficiaries generally can enroll in an MSP through Local Department of Social Services/Medicaid office
- Beneficiaries will need to complete an application and provide proof of:



- Income/assets
  - Date of birth
  - Address
  - Identity
- If an MSP application is denied, beneficiaries can request a fair hearing

Equitable relief

# Equitable relief

- Process used when individual delays enrolling in Medicare Part B because of error, misrepresentation, or inaction by federal employee
  - Usually this is a Social Security or 1-800-MEDICARE representative
- If approved, individual will receive prospective or retroactive Part B enrollment and/or have their Part B late enrollment penalty waived



# Requesting equitable relief



- Beneficiary should write a letter to local Social Security office explaining that error, misinformation, or inaction by federal employee caused delay in Part B enrollment
- Social Security is not required to respond within a set timeframe
  - They are also not required to send the beneficiary a formal decision letter

# Equitable relief letter tips



- Include as much detailed information as possible, such as:
  - Name of the representative
  - Date and time of call
- Include beneficiary's specific request:
  - Retroactive Part B enrollment
  - Waiving of the Part B LEP

# Equitable relief troubleshooting



- If a beneficiary does not receive a response:
  - Submit a new equitable relief letter
  - Reach out to Social Security public affairs specialists or elected representatives



- If equitable relief is denied:
  - No formal appeal rights (usually)
  - Submit a new letter with additional details if possible
  - Request meeting with local Social Security office

# Equitable relief for Marketplace enrollees

- For individuals who delayed enrolling into Part B to stay in a Marketplace plan
- Including individuals who could have enrolled in Part B using the Part B SEP but chose Marketplace coverage instead
- Helps beneficiaries enroll in Medicare as soon as possible and can erase an LEP

General Enrollment Period (GEP)

# GEP basics

- The GEP runs from January 1 through March 31 of each year
- If someone uses the GEP to enroll in Medicare Part B, their coverage will be effective on July 1 of that year
  - Some people may experience a gap in coverage with this delayed enrollment
  - Most people who use the GEP to enroll will face a late enrollment penalty (LEP)



# How to enroll using GEP

- Beneficiaries should complete form CMS 40B and submit to the local Social Security office
- Beneficiaries may also want to submit a CMS L564 form if they had job-based insurance through current employment at any point while they were Medicare-eligible
  - This can eliminate or reduce a LEP
- Individuals who try to enroll outside of the GEP timeframe will usually have their applications processed in the next GEP

# Troubleshooting GEP applications

- If an IEP or SEP application is incorrectly processed as a GEP application:



- Beneficiaries can appeal following the instructions on their enrollment notice
- The appeal should reference that a mistake was made and request a correction in Part B effective date



Case study

# Troubleshooting Part B enrollment

- Aaron is a single 67-year-old enrolled only in COBRA coverage and premium-free Part A. He has been enrolled in COBRA for 17 months since he lost his job.
- In March, COBRA suddenly stops paying for any of his health care claims.
- Aaron contacts his insurance company, and the customer service representative lets him know that COBRA stopped paying because it is supposed to be his secondary insurance.

# Troubleshooting Part B enrollment

- Aaron declined Part B at age 65 after speaking to a representative from 1-800-MEDICARE who explained, incorrectly, that Aaron did not need to enroll because he already had health insurance through COBRA.
- Aaron needs primary insurance as soon as possible. He is also worried about COBRA recouping payments it made over the past 17 months.

**How do you help Aaron?**

# Can Aaron use his IEP?

- No
- Aaron cannot use his IEP, since it is well after his 65<sup>th</sup> birthday

# Can Aaron use the Part B SEP?

- No
- Aaron cannot use the Part B SEP, since he wasn't covered by job-based insurance from current work within the past 8 months

# Does Aaron qualify for an MSP?

- Ask for Aaron's income to see if he qualifies for an MSP
- Enrolling in MSP would buy Aaron into Part B without a penalty and, at a minimum, pay his Part B premiums going forward
- Some MSPs provide retroactive coverage up to three months

# Can Aaron request equitable relief?

- Aaron likely has a case for equitable relief, since misinformation from a representative of the federal government led him to delay enrolling in Part B
- Ask Aaron for any details he has about his conversation with 1-800-MEDICARE, for example:
  - Does he know the date and time he called or can he look it up in his phone records?
  - Does he know the name of the person he spoke to? Does he remember what was said?

# Premium repayment

- Equitable relief is the only strategy that would allow for Aaron's Part B effective date to be retroactive back to his 65<sup>th</sup> birthday
- Since the retroactive effective date would involve six or more months of back premiums, Aaron could request the retroactive date (and pay the back premiums) or a prospective effective date



# Retroactive coverage

- If Aaron's Medicare effective date is retroactive, he can ask doctor to re-submit claims to Medicare if COBRA recoups payments

# Review

Steps when counseling individuals who need to enroll in Part B:

- 1 Check the individual's eligibility for IEP or Part B SEP
- 2 Check their income to see if they might qualify for a Medicare Savings Program (MSP). MSPs will enroll an individual in Part B without penalty
- 3 Check to see if misinformation or a mistake might allow them to request equitable relief
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# Helpful resources

# Medicare Rights offers a variety of online resources



Medicare answers at your fingertips

**Medicare Interactive (MI)** is a free online reference tool developed by Medicare Rights that provides easy-to-understand answers to the questions posed by Americans with Medicare, their families and caregivers, and the professionals serving them.

**Medicare Interactive Pro (MI Pro)** is an online Medicare curriculum that takes you on a guided learning experience. As an MI Pro subscriber, you'll access exclusive in-depth Medicare content, quizzes to test your progress, and printable learning tools. Keep track of where you left off within each course, and complete coursework at your own pace.





# Medicare Advocacy Toolkits

While intended for a New York audience, the Medicare Advocacy Toolkits may offer lessons to other states and be useful resources as advocates and policymakers think about ways to improve the federal Medicare program.

## **Toolkit topics include:**

- Medicare enrollment
- Durable medical equipment access
- Medicare for individuals with End-Stage Renal Disease (ESRD)
- Part D drug access

Visit [www.medicareinteractive.org/resources/toolkits](http://www.medicareinteractive.org/resources/toolkits) to learn more.

# Survey Time!



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[www.medicareinteractive.org/webinar/an-advocates-guide-to-medicare-part-b-enrollment](http://www.medicareinteractive.org/webinar/an-advocates-guide-to-medicare-part-b-enrollment)