



CMA Monthly Column - March, 2005

GENERAL ENROLLMENT PERIOD FOR PART B ENDS MARCH 31st

The “general enrollment period” for Medicare Part B benefits begins January 1st of each year and ends March 31st. This March 31st deadline, which is approaching quickly, is extremely important for Medicare beneficiaries who wish to enroll in Part B and receive those benefits this year. Failure to enroll during the general enrollment period can leave the individual without Part B coverage for over a year and involve significant premium penalties. There are three distinct times when a beneficiary can enroll in the Part B program; the “initial enrollment period,” the “special enrollment period” and the “general enrollment period.”

INITIAL ENROLLMENT PERIOD

The first opportunity is the “initial enrollment period” which occurs when the individual first becomes eligible for Medicare benefits. Eligibility occurs either when the individual turns 65 or after he or she has been receiving Social Security Disability benefits for 24 months. The initial enrollment period is seven months long, begins three months before the month of eligibility and ends three months after the month of eligibility (for example, if the month of eligibility is May, the initial enrollment period begins February 1st and ends August 31st). Prior to their month of eligibility, beneficiaries should receive notification from Social Security advising them of their eligibility for Medicare benefits. Beneficiaries then have the choice to enroll in Part B or not to enroll. Choosing not to enroll is often referred to as “opting out.” Some beneficiaries may choose to opt out of Part B if they have coverage through an employee group health plan or other source which would duplicate the coverage under Part B. If a beneficiary chooses not to enroll in Part B during their initial enrollment period, they are limited as to when they can enroll in the future.

SPECIAL ENROLLMENT PERIOD

Those individuals who opt out of Medicare Part B when they first become eligible, may be granted a “special enrollment period” during which they can enroll without a delay in coverage or the assessment of premium penalties. However, the special enrollment period is only available to those individuals whose employee group health plan coverage, due to the current active employment of themselves, a spouse, or a family member, is ending. The special enrollment period begins the first day of the month in which the individual is no longer covered by the employee group health plan due to their current active employment and ends eight months later. However, if a person has insurance

coverage through a retiree plan, COBRA, or by voluntarily choosing to pay for coverage, and decides not to enroll in Medicare Part B during the initial enrollment period, he or she will not qualify an individual for a special enrollment period.

GENERAL ENROLLMENT PERIOD

The final opportunity for enrollment is the “general enrollment period” which is during the first three months of each calendar year. The general enrollment period is available to persons who may have opted out of Part B when they first became eligible and who do not qualify for a special enrollment period. However, when enrolling under the general enrollment period, Part B benefits do not go into effect until July 1st of the year in which the beneficiary applied. In addition, the beneficiary may be faced with potentially significant Part B premium penalties, which are assessed against the beneficiary indefinitely. The penalties assessed are equal to ten percent per year for every full year a beneficiary is not enrolled in the Part B program. For example, a beneficiary who has not been enrolled for 5 years would accrue a 50% premium penalty.

For individuals who do not qualify for a special enrollment period and whose only option is enrollment during the general enrollment period, now is the time to contact their local Social Security office and apply for Part B benefits. The general enrollment period will end on March 31st. Enrollment before March 31st will ensure that an eligible beneficiary will, at the very least, get their Part B benefits by July 1st of this year. Those who miss the general enrollment period will not be able to apply again until the next general enrollment period which begins in January 2006, leaving them without Part B coverage until July 2006. The consequences of this gap in coverage can be financially devastating if the individual becomes seriously ill. While no one can predict their health care needs, individuals without Part B benefits should give serious consideration to this issue, especially if they feel they may need Part B coverage in the near future.

The Center for Medicare Advocacy, Inc. is a national, non-partisan education and advocacy organization that promotes fair access to Medicare and health care. The Center's national office is in Mansfield with offices in Washington DC and throughout the country. For more information contact Attorney Lara Stauning at (860)456-7790 or visit the Center's website: www.medicareadvocacy.org. Se habla espanol.