

Considerations When Choosing Between Traditional Medicare with a Medigap Plan vs. Medicare Advantage

Medicare Supplemental Insurance plans, also known as "Medigaps", are private health insurance plans that help pay for the "gaps" in coverage in traditional Medicare including copayments, coinsurance, and deductibles. Medigap policies do not work with Medicare Advantage (MA) plans and it is illegal for anyone to sell an MA enrollee a Medigap policy unless they are switching to traditional Medicare.

While it is relatively easy for a Medicare beneficiary to enroll into and disenroll from a Medicare Advantage plan on an annual basis, **there are limitations regarding when an individual can enroll in a Medigap plan.** There are only certain times when companies offering Medigap plans ("issuers") are required to sell plans to individuals, and the rules vary by state. Federal law provides for open enrollment rights when someone is 65 or over and first enrolls in Part B of Medicare, and additional "[guarantee issue rights](#)" when certain triggering events occur.

State laws can go further than the minimum federal enrollment standards to provide additional enrollment rights, but only four states – Connecticut, Massachusetts, Maine and New York - require either continuous or annual guaranteed issue protections for Medigap for all beneficiaries in traditional Medicare ages 65 and older, regardless of their medical history. As noted in a Kaiser Family Foundation [report](#), "[i]n all other states and D.C., people who switch from a Medicare Advantage plan to traditional Medicare may be denied a Medigap policy due to a pre-existing condition, with few exceptions, such as if they move to a new area or are in a Medicare Advantage trial period."

In addition, as discussed in a Center for Medicare Advocacy [CMA Alert](#), state law varies considerably with respect to extending Medigap rights to individuals under 65.

Medigap enrollment rights are considerably more limited than the annual opportunities beneficiaries have to get in and out of private Medicare Advantage and Part D plans, and individuals who want to change from a Medicare Advantage plan to traditional Medicare with Medigap may be disadvantaged. As noted in the Kaiser report, Medicare beneficiaries who miss the limited "windows of opportunity" to enroll in a Medigap plan "may unwittingly forgo the chance to purchase a Medigap policy later in life if their needs or priorities change. This constraint potentially affects the nearly 9 million beneficiaries in traditional Medicare with no supplemental coverage. It may also affect millions of Medicare Advantage plan enrollees who may incorrectly assume they will be able to purchase supplemental coverage if they choose to switch to traditional Medicare at some point during their many years on Medicare."

In other words, **look before you leap.** An individual weighing whether to enroll in a Medicare Advantage plan vs. traditional Medicare should **keep in the mind the limited opportunities to purchase a Medigap plan to supplement the gaps in traditional Medicare.**