

Medicare Plan Enrollment Changes for Dual Eligibles and Low-Income Subsidy Recipients in California

The Centers for Medicare and Medicaid Services (CMS) issued new rules that limit enrollment and disenrollment from Medicare Advantage and Part D prescription drug plans. The new rules went into effect on January 1, 2019.

Enrollment Periods

There are three types of enrollment periods in the Medicare program: the initial enrollment period, the annual election period (AEP), and special enrollment periods (SEPs). This fact sheet describes a change in a special enrollment period (SEP).

Who is Impacted

Dual eligible beneficiaries—those individuals with both Medicare and Medi-Cal coverage—will be impacted by the rule changes. In addition, individuals receiving the low-income subsidy (LIS) or “extra help” to reduce the costs associated with Part D prescription drug coverage will be impacted.

Prior Rule

Prior to 2019, dual eligibles and LIS beneficiaries had a continuous SEP—known as the LIS SEP—that allowed them to enroll or disenroll from a Medicare plan or Part D prescription drug plan at any time. The enrollment or disenrollment became effective the first day of the following month. This SEP was an important consumer protection for dual eligibles and LIS beneficiaries who have unique needs and benefit from not being locked into a plan that is not meeting their needs or can cause disruption. Starting in 2019, however, this SEP will be limited and these populations will no longer have a continuous SEP.

Rule Starting in 2019

Under the new rule, dual eligibles and LIS recipients will only be able to enroll or disenroll from a Medicare plan or Part D plan once per quarter. The enrollment or disenrollment will be effective the first day of the following month if a change is made in the first three quarters of the year. During the fourth quarter, dual eligibles and LIS recipients wishing to change plans must take advantage of the Annual Enrollment Period (Oct. 15 – Dec. 7), with their changes becoming effective January 1 of the following year.

Example: If a beneficiary changes from one Prescription Drug Plan (PDP) to another on January 10, the change will take effect on February 1. However, if the beneficiary makes a change on October 20, the change will not become effective until January 1.

Advocacy Tip

Beneficiaries can call 1-800-Medicare or contact their plan to confirm whether they have already used their LIS SEP for the quarter.

Exceptions

Cal MediConnect

Dual eligibles wishing to enroll or disenroll from Cal MediConnect will maintain a continuous enrollment period and will be able to enroll or disenroll into or from a Cal MediConnect plan throughout the year.

Example: A dual eligible is currently enrolled in a Medicare Advantage (MA) plan that they enrolled in on April 15, effective date May 1. On May 20, the dual eligible decides that they want to enroll in Cal MediConnect. The beneficiary can disenroll from the MA plan and enroll in a Cal MediConnect plan effective June 1 despite having already used their special enrollment period for the second quarter. The effective date for Cal MediConnect enrollment and disenrollment will be the first of the following month throughout the year.

Other Special Enrollment Periods

Dual eligibles and LIS recipients will continue to have access to other Enrollment Periods including:

- Medicare Advantage Open Enrollment Period (Jan. 1–Mar. 31)
- Dual eligible or LIS beneficiary loses eligibility status
- Moving out of plan coverage area
- Residing in or moving into or out of a nursing facility
- PACE enrollment and disenrollment
- Enrolling in a 5-star plan, if available
- Loss of employer health plan
- Significant provider network changes
- Exceptional conditions

Additional Resources

For more information on these changes and how enrollment periods work together, see

- [Enrollment Periods for Dually Eligible Beneficiaries in Capitated Model Financial Alignment Initiative Demonstrations](#), Integrated Care Resource Center.
- [Special Enrollment Periods for Medicare Advantage Plans and Medicare Part D Drug Plans](#), Medicare Rights Center.
- [Medicare Part D: Special Enrollment Periods](#), National Council on Aging.