



Transitioning From Marketplace to Medicare Coverage



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Topics

- Background on Medicare
- Automatic versus active enrollment
- Recent Policies Impacting Medicare
- Premium and Premium-free Medicare Part A effective dates
- How to end or make changes to Marketplace coverage
- Medicare Periodic Data Matching (PDM)
- Medicare and eligibility for financial assistance through the Marketplace
- Scenarios



What is Medicare?

- Medicare is a federal health coverage program for:
 - People 65 or older,
 - People under 65 with certain disabilities, and
 - People of any age with amyotrophic lateral sclerosis (ALS) or End-Stage Renal Disease (ESRD) (permanent kidney failure requiring dialysis or a kidney transplant).
- To estimate Medicare eligibility and premium amounts, consumers may visit [Medicare.gov: Eligibility and Premium Estimate](https://www.medicare.gov/eligibility-and-premium-estimate).



Parts of Medicare

There are 4 different parts of Medicare: Part A, B, C, & D:

- Medicare Part A (Hospital Insurance) (MEC) or (QHC)*
- Medicare Part B (Medical Insurance)
- Medicare Part C (Medicare Advantage Plans) (MEC) or (QHC)*
- Medicare Part D (Prescription Drug Coverage)



*Minimal Essential Coverage (MEC), also known as Qualifying Health coverage (QHC), is any insurance plan that meets the Affordable Care Act requirement for having health coverage. Coverage under the Medicare program pursuant to Part C of title XVIII of the Social Security Act, which provides Medicare Parts A and B benefits through a private insurer Medicare advantage plan qualifies as (MEC) or (QHC).

For more information, go to [Minimum Essential Coverage](#) in the Healthcare.gov glossary.

Understanding Medicare Part A (Hospital Insurance)

- Medicare Part A Coverage includes:
 - Inpatient Hospital Care
 - Skilled care in a nursing facility for 100 days
 - Hospice
 - Home health services for homebound individuals who require skilled services, observation, or education
- **Part A is considered MEC or QHC**



Understanding Medicare Part B (Medical Insurance)

- Part B covers many services in 2 main categories:
 - **Medically necessary items and services:** Outpatient Services or supplies that are needed to diagnose or treat medical conditions and that meet accepted standards of medical practice. Includes outpatient doctor visits, ambulance services, durable medical equipment, mental health care, and other benefit categories.
 - **Preventive services:** Health care to prevent illness with vaccines as well as screenings to detect disease and provide best practices for treatments.
- **Part B alone is NOT considered MEC or QHC**



Who Qualifies for Medicare A and B?

- Consumers can get Premium-free Medicare Part A at 65 or older if:
 - They or their spouse worked for the equivalent of 10 years, either consecutively or non-consecutively, at jobs where they paid Medicare taxes. “Qualifying quarters of coverage” in the Social Security program are based on how many months they worked and paid Medicare taxes.
 - They are eligible to receive retirement benefits from Social Security or have received Railroad Retirement Board (RRB) benefits for 25 months, have received disability benefits for 24 months or are receiving ALS disability benefits.
 - They have ESRD and meet other specific requirements, including having the required qualifying quarters of coverage.



Who Qualifies for Medicare A and B? (Cont.)

- Part B is a voluntary program which requires the payment of a monthly premium for all months of coverage. People who are automatically enrolled have the choice whether they want to keep or refuse Part B coverage.
- Most consumers will pay only the standard monthly premium amount for Part B. However, if a consumer's modified adjusted gross income (MAGI) as reported on their IRS tax return from two years ago is above a certain amount, they may pay an Income-related Monthly Adjustment Amount (IRMAA) in addition to the standard monthly premium amount for Part B.



How much does Part B cost?

- Consumers will need to pay a premium for Part B. The standard Part B premium amount in 2024 is \$174.70 per month for consumers who are eligible for Part B.
- If a consumer's modified adjusted gross income (MAGI) as reported on their Federal income tax return from 2 years ago is above a certain amount, they may pay an Income Related Monthly Adjustment Amount (IRMAA) in addition to the standard monthly premium amount for Part B. (They may also pay an IRMAA in addition to the monthly premium if they enroll in a Part D plan.)

For more information on IRMAA, including how much a consumer might owe based on their MAGI, consumers can visit [2024 Medicare costs](#).



How much does Part B cost? (Cont.)

- Many consumers may be eligible for assistance with paying the Part B premium through the Medicare Savings Programs (MSPs). In addition, the programs may cover deductibles, coinsurance, and copayments if they meet certain conditions.
- The consumer should reach out to their respective State Health Insurance Assistance Program (SHIP) or State Medicaid Office for more information on MSPs.
- For more information, visit [Medicare Savings Program](#) and [SHIP](#).



Medicare Part C

(Medicare Advantage or MA Plans)

- Medicare Advantage (MA) Plans are approved by Medicare but are run by private companies. All MA Plans provide Part A (Hospital Insurance) and Part B (Medical Insurance) with certain exclusions for hospice care, transplants, and some clinical trials.
- Most Medicare Advantage Plans also provide Part D, or Medicare prescription drug, benefits.
- MA plans may offer some extra benefits that Original Medicare doesn't cover – like certain vision, hearing, and dental services.
- In many cases, consumers need to use health care providers in the plan's network, and they may need to get approval from the plan before it covers certain drugs or services.
- Plans may have lower or higher out-of-pocket costs than Original Medicare, and consumers may also have an additional premium.
- When enrolled in an MA plan, consumers must continue to pay their Part B premium and may also have to pay the plan's premium. Some plans may have a \$0 premium and may help pay all or part of your Part B premium.
- To join a Medicare Advantage Plan, a consumer must have Part A and Part B and live in the plan's service area.
- **Part C is considered MEC or QHC.**

Medicare Part D

(Prescription Drug Coverage)

- Part D sponsors, i.e. private insurance companies that meet CMS requirements, contract with CMS to provide Part D enrollees with their prescription drug benefits through stand-alone Part D prescription drug plans.
- An individual with Original Medicare (Part A and/or Part B) can sign up for a standalone Part D plan.
- To join a Medicare Part D prescription drug plan, a consumer must be entitled to benefits under Part A or enrolled under Part B and live in the plan's service area and be a U.S. citizen or lawfully reside in the U.S.



How Consumers Enroll in Medicare Part A: Automatic Versus Manual Enrollment

Enrollment in Medicare Part A is automatic only for people who meet all eligibility requirements for premium-free Part A:

- Turn 65 and are entitled to and receiving monthly Social Security benefits (SSB) or Railroad Retirement Board (RRB) benefits.
- Are under age 65 and have been getting Social Security Disability Insurance (SSDI) or RRB disability benefits for 24 months.
- Have amyotrophic lateral sclerosis (ALS) and have been receiving SSDI or RRB disability benefits.



How Consumers Enroll in Medicare Part A: Automatic Versus Manual Enrollment (Cont.)

Individuals who meet all eligibility requirements who must actively (manually) apply to enroll in Medicare Part A and B include:

- Those who aren't getting SSB or RRB benefits during their initial enrollment period (which covers the three months before, the month of, and the three months after someone turns age 65)
- Those who have End-Stage Renal Disease (ESRD) and receive regular courses of dialysis or a kidney transplant*
- Those who must pay a premium for Medicare Part A (those not eligible for Premium-free Medicare Part A)

If a consumer lives in Puerto Rico, they're signed up for Part A automatically if they get SSB or RRB. They must sign up for Part B manually.

*Note: Eligibility for Medicare coverage based on ESRD works differently than other types of Medicare eligibility. If a consumer is eligible for Medicare based on ESRD and didn't sign up right away, their coverage could start up to 12 months before the month they apply. For more information, visit [Medicare.gov: End-Stage Renal Disease \(ESRD\)](https://www.medicare.gov/End-Stage-Renal-Disease-ESRD).

Knowledge Check #1

Which of these qualifies a consumer who meets all eligibility requirements for premium-free Medicare Part A for automatic enrollment into Medicare Parts A and B?

- A. A consumer who has ESRD and receiving regular dialysis.
- B. A consumer who must pay a premium for Medicare Part A.
- C. A consumer who is over age 65 and isn't getting SSB.
- D. A consumer who is turning 65 and is already entitled to and receiving SSB during their initial enrollment period.



Knowledge Check #1 Answer

Which of these qualifies a consumer who meets all eligibility requirements for premium-free Medicare Part A for automatic enrollment into Medicare Part A and B?

D. A consumer who is turning 65 and is already entitled to and receiving SSB during their initial enrollment period (IEP).



How Consumers Enroll in Medicare: Automatic Enrollment

- If a consumer meeting all eligibility requirements is receiving SSB or RRB retirement benefits four months before their 65th birthday, the consumer will get a Medicare card in the mail 3 months before their 65th birthday and will be automatically enrolled in Part A and Part B (except in Puerto Rico).
- Medicare Part A and Part B coverage usually begins on the first day of the month the consumer turns 65.



How Consumers Enroll in Medicare: Active (i.e., “Manual”) Enrollment

Consumers can sign up for Medicare through the Social Security Administration by:

- Visiting [SSA.gov: Plan for Medicare](https://www.ssa.gov/planfor/medicare).
- Calling Social Security at 1-800-772-1213 (TTY: 1-800-325-0778).
- Contacting a local Social Security office.
- If a consumer or their spouse worked for a railroad, they can call the Railroad Retirement Board (RRB) at 1-877-772-5772 (TTY: 312-751-4701).



Assisters can refer clients to a local [State Health Insurance Assistance Program \(SHIP\)](#) for more help with Medicare eligibility and enrollment and information about Medicare benefits.

The Medicare Initial Enrollment Period (IEP)

- For consumers who are eligible for Medicare based on turning age 65 and meeting the other eligibility requirements, the Initial Enrollment Period (IEP) to sign up for Medicare Part A and for Medicare Part B, if not automatically enrolled, is 7 months long.
- Consumers who are not automatically enrolled in Medicare and must actively sign up for Medicare Part A are encouraged to sign up as soon as possible for Medicare Part B during their IEP.
- If they do not enroll during their IEP, most consumers may have to wait until Medicare's General Enrollment Period (GEP) or qualify for a Special Enrollment Period (SEP). In addition to potential gaps in coverage, these consumers may also be subject to a monthly late enrollment penalty for Medicare Part B.



The Medicare Initial Enrollment Period (IEP) (Cont.)

The IEP begins 3 months before the consumer's 65th birthday, includes the month they turn 65, and ends 3 months after their 65th birthday.

Note: If the consumer's birthday falls on the first of the month, their IEP starts 4 months prior to their 65th birthday.



When does Premium-free Medicare Part A Coverage Start?

- For people automatically enrolled at age 65, coverage starts the first of the month they turn 65. If their birthday is on the first of the month, coverage starts a month earlier (the month before they turn 65).
- Consumers who are turning 65 and are not automatically enrolled can sign up any time after their IEP begins.
- If consumers sign up after their IEP has ended, their Premium-free Part A coverage start date will go back (retroactively) up to 6 months from when they submit the application for Medicare Part A, but no earlier than the first day of the month they turn 65.



When does Premium-free Medicare Part A Coverage Start? (Cont.)

- Consumers who are newly eligible for or enrolled in premium-free Medicare Part A should report this change as soon as possible to the Marketplace and either end their Marketplace coverage or, if they choose, remain in their Marketplace plan.
- Once consumers are considered eligible for or enrolled in premium-free Medicare Part A or Part C or enrolled in premium Part A, they'll no longer be eligible for any premium tax credits or other cost savings they may be getting for their Marketplace plan. Consumers considered eligible for or enrolled in premium-free Medicare Part A or enrolled in premium Part A will have to pay full price for their Marketplace plan.
- Generally, individuals getting advance payments of the premium tax credit (APTC) while dually enrolled in coverage through the Marketplace and Medicare may have to pay back all or some of the APTC received for months the individual was enrolled in both Marketplace coverage with APTC and Medicare Part A when they file their federal income tax return.



When can consumers sign up for Premium Part A?

- Consumers who are eligible for Premium Part A must decide if they want to enroll and pay premiums for Part A. Consumers must be eligible for and enrolling in (or already enrolled in) Medicare Part B in order to be eligible for Premium Part A. If they decided to do so, they must sign up during their IEP. Otherwise, they may have to wait until the Medicare GEP or qualify for an SEP to sign up.
- The Medicare GEP begins in January and ends in March, and beginning in 2023, coverage begins the first day of the month following the month in which the individual enrolls.
- SEPs for Medicare aren't the same as SEPs for the Marketplace.
- Terminating Marketplace coverage doesn't result in an SEP to enroll in Medicare Part A or Part B.
- If consumers don't enroll during their IEP, they may face late enrollment penalties that make Medicare premiums more expensive for as long as they are enrolled in Medicare.



CAA 2021 Provisions Impacting Medicare

- CMS finalized a rule implementing sections of the Consolidated Appropriations Act, 2021 (CAA) that simplified Medicare enrollment rules and extended coverage of immunosuppressive drugs for certain beneficiaries.
- [The final rule](#) made changes to Part A and Part B Medicare by revising the effective dates of coverage and established new SEPs for individuals who meet exceptional conditions.
- SEPs now provide individuals who meet certain exceptional conditions and who missed a Medicare enrollment period an opportunity to enroll without having to wait for the GEP and without being subject to a late enrollment penalty (LEP) for Part B (or premium-Part A). Part D LEPs may still apply.
- Specifically, the following SEPs are now available, for those individuals who qualify:
 - An SEP for Individuals Impacted by an Emergency or Disaster
 - An SEP for Health Plan or Employer Error
 - An SEP for Formerly Incarcerated
 - An SEP to Coordinate with Termination of Medicaid Coverage
 - An SEP for Other Exceptional Conditions

CAA 2021 Provisions Impacting Medicare (Cont.)

- Beginning January 1, 2023, Medicare coverage became effective the month after enrollment for individuals enrolling in Medicare Part B in the last three months of their IEP or in the GEP, thereby reducing any potential gaps in coverage.
- The CAA 2021 also extended immunosuppressive drug coverage under Part B for certain individuals whose Medicare entitlement is based on end-stage renal disease (ESRD). This would otherwise end 36 months after the month in which they received a successful kidney transplant provided they do not have certain other health coverage.



For more information on immunosuppressive coverage under Part B, please visit: [Medicare Part B Immunosuppressive Drug Benefit \(PBID\)](#).

The Inflation Reduction Act and Medicare: Part D Improvements and Changes to Medicare Part B

- Under the Inflation Reduction Act, out-of-pocket costs for insulin in Medicare are now capped at \$35 per month's supply for a covered insulin product under Part D, as of January 1, 2023, with a similar cap which took effect in Part B on July 1, 2023.
- Part D Benefit Improvements:
 - Insulin available at \$35 per month's supply of each covered insulin product
 - ACIP-recommended adult Part D vaccines covered without cost-sharing
 - A yearly cap (\$2,000 in 2025) on out-of-pocket prescription drug costs in Medicare
 - Expansion of the low-income subsidy program (LIS or "Extra Help") under Medicare Part D to individuals with limited resources and incomes below 150 percent of the federal poverty level starting in 2024



The Inflation Reduction Act and Medicare: Part D Improvements and Changes to Medicare Part B (Cont.)

- Changes to Medicare Part B:
 - For certain Part B drugs and biologicals, the beneficiary coinsurance is 20 percent of the inflation-adjusted payment amount, which is less than what the beneficiary would pay in coinsurance otherwise.
 - The lower Part B coinsurance on the list of drugs is in effect from January 1, 2024, to March 31, 2024. This coinsurance adjustment applies to certain drugs and biologicals paid under Medicare Part B. The Part B drugs impacted by this coinsurance adjustment may change quarterly.
 - Imposes a \$35/month cost-sharing cap on insulin pumps used as durable medical equipment.



Ending Marketplace Coverage

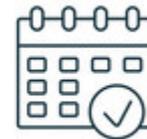
Marketplace coverage does not automatically end when a consumer becomes eligible for or begins Medicare.

For more instructions on how to time ending Marketplace coverage and signing up for Medicare, visit [HealthCare.gov: Medicare and the Marketplace](https://www.healthcare.gov/medicare-and-the-marketplace/).



Why Consumers Should End Their Marketplace Coverage

- To avoid paying double premiums for overlapping coverage (in the Marketplace and Medicare) since Marketplace coverage generally duplicates the coverage a consumer is receiving through Medicare.
- To avoid gaps in coverage.
- To avoid having to pay back all or some of the APTC they may have incorrectly received while eligible for or enrolled in Medicare.



How Consumers Should End Marketplace Coverage

- Most consumers will want to end Marketplace coverage when they become eligible for Medicare or when they know their Medicare start date.
- In some cases, consumers will need to end their Marketplace coverage by calling the Marketplace Call Center.
- In other cases, consumers can end their coverage online using HealthCare.gov.
- This depends on:
 - If everyone on the application is ending their Marketplace coverage or;
 - If only some people on the application are ending their Marketplace coverage.



How to End Coverage: When Only Some People Are Transitioning from Marketplace Coverage to Medicare

A consumer should call the Marketplace Call Center to:

- End Marketplace coverage for only some people (e.g., end Marketplace coverage for themselves but keep it for a spouse).
 - The person who is ending coverage will need to change their status to a non-applicant (i.e., a household member who does not need coverage).
- Ensure that those remaining on their Marketplace plan don't lose their coverage.



Note: The best way to ensure consumers receive their desired coverage end date is by contacting the Marketplace Call Center to request the change.

Complex Case Scenario

- Beth is married and recently turned 65.
- Beth's daughter Mary, 24, is a dependent enrolled on the same Marketplace plan.
- Beth would like to enroll in Medicare but is confused about how to end her Marketplace coverage. She tried to end her coverage online but isn't sure if she followed the process correctly.



Avoiding Gaps in Coverage and Duplicate Coverage

- To avoid a gap in coverage, Beth shouldn't terminate her Marketplace plan before her Medicare coverage starts. Once Beth knows exactly when her Medicare coverage starts, she can request to end her Marketplace plan on the day before her Medicare coverage will begin.
- Beth shouldn't try to change or end Marketplace coverage online unless she wants to end coverage for everyone on the plan. Ending her coverage by calling the Marketplace Call Center instead ensures Beth, who wants to end her coverage, gets the desired termination date for herself and ensures that other enrollees in the Marketplace plan can continue to have Marketplace coverage.
- Beth should therefore contact the Marketplace Call Center for assistance.



Applicable Rules

- If a consumer is enrolled in a Marketplace plan first and then becomes eligible for premium-free Medicare Part A or enrolled in premium-free or premium Medicare Part A, they can choose to remain enrolled in their Marketplace plan at least through the end of the plan year.
- But there are important considerations:
 - Once they become eligible for or enrolled in Medicare Part A, they are no longer eligible for APTC or cost-sharing reductions (CSRs) and may have to pay back some or all of the APTC they received during months of overlapping coverage.
 - They'll pay for duplicative coverage.
 - Medicare doesn't coordinate benefits with individual market Marketplace plans.
 - If they choose to terminate their Marketplace plan, they must pay close attention to disenrollment timeframes to avoid a gap in coverage.



Medicare Periodic Data Matching (PDM): Notices to Dually-Enrolled Consumers (Slide 1 of 5)

As noted previously, Medicare Parts A and C are considered MEC or QHC. The Marketplace sends Medicare PDM notices to consumers who may be dually enrolled in MEC or QHC Medicare and Marketplace coverage with APTC and CSRs. Notices are uploaded to the consumer's My Account or mailed via the U.S. Postal Service, depending on the consumer's stated communication preference.

Medicare PDM Notices include:

- Name(s) of consumer(s) found to be dually-enrolled.
- A recommendation that individuals found to be enrolled in MEC or QHC Medicare and a Marketplace plan should end their Marketplace coverage.
- Consequences of dual-enrollment, including paying for coverage that is duplicative to Medicare and potential for late enrollment penalties for Part B if the consumer doesn't sign up for Medicare Part B when they are eligible to do so.
- Instructions on how to end Marketplace coverage or Marketplace financial assistance.
- Where to find contact information to confirm if they're enrolled or if they have any questions about Medicare.

Medicare Periodic Data Matching (PDM): Notices to Dually-Enrolled Consumers (Slide 2 of 5)

Note: Effective January 1, 2023, Medicare SEPs may be available to individuals who meet certain exceptional conditions and who missed a Medicare enrollment period. This is an opportunity to enroll without having to wait for the GEP and without being subject to a late enrollment penalty (LEP).



Medicare Periodic Data Matching (PDM): Notices to Dually-Enrolled Consumers (Slide 3 of 5)

Applicants have the option to provide written consent for the Marketplace to end their Marketplace coverage if they're later found to be enrolled in Medicare through the Medicare PDM process through an attestation question on the Marketplace application.

If anyone on your application is enrolled in Marketplace coverage and is also found to have Medicare coverage, the Marketplace will end their Marketplace plan coverage. They will get a notice before the Marketplace terminates their coverage in case they need to keep it or make changes. During all the months of overlapping coverage, they're responsible for paying the full cost for the Marketplace plan premium and covered services.

- I agree to allow the Marketplace to end the Marketplace coverage for anyone on my application who's enrolled in both Marketplace and Medicare coverage.
- I don't give the Marketplace permission to end Marketplace coverage for anyone on my application who's enrolled in both Marketplace and Medicare coverage. I understand that they will have a Marketplace health plan without financial help and pay the full cost for their share of the Marketplace plan premium and covered services, if eligible.

Medicare Periodic Data Matching (PDM): Notices to Dually-Enrolled Consumers (Slide 4 of 5)

If a consumer has both Medicare Part A or Part C and a Marketplace plan with APTC and CSRs, and they receive a Medicare PDM initial warning notice, they have 30 days from receipt of the Medicare PDM initial warning notice to return to the Marketplace to end either APTC and CSRs, or their Marketplace plan, if they so choose.

They'll also have the option to:

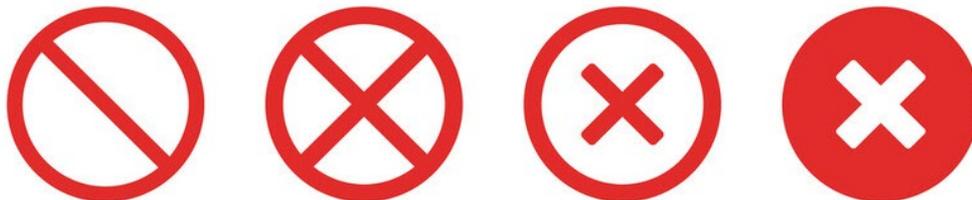
- Disagree with the results of the Medicare PDM notice and provide documentation if they think they aren't enrolled in Medicare Part A or Part C; or
- Change their attestation response from agree to disagree if they no longer want the Marketplace to end their coverage, or vice versa.



Medicare Periodic Data Matching (PDM): Notices to Dually-Enrolled Consumers (Slide 5 of 5)

If a consumer doesn't take any action after the 30-day period ends, the Marketplace will either:

- End APTC and CSRs, or
- End Marketplace coverage, if they provided written consent using the attestation noted in the previous slide.



Eligibility for APTC for Consumers with Premium-free Medicare Part A

The rules on eligibility for Medicare Part A and Part C and APTC differ depending on if the consumer must pay a premium for Medicare Part A and when they sign up.

For consumers automatically enrolled in Premium-free Medicare Part A:

- These consumers are generally no longer eligible for financial assistance through the Marketplace the first day of the month they turn 65.

For consumers who must sign up for Premium-free Medicare Part A:

- These consumers are no longer eligible for financial assistance through the Marketplace starting the first day of the first full month they can start using their Medicare coverage.



Eligibility for APTC for Consumers with Premium Medicare Part A

- Consumers who are eligible to enroll in Premium Part A remain eligible for financial assistance through the Marketplace, unless and until they sign up for and can start using their Medicare coverage.
- If they sign up for Medicare coverage, they will no longer be eligible for financial assistance through the Marketplace the month their Medicare coverage actually begins.
- These Medicare consumers may face late enrollment penalties or a gap in coverage if they sign up after their IEP ends.



Eligibility for APTC for Consumers with Premium Medicare Part A (Cont.)

- These consumers should compare their benefits and total premiums under Medicare with their Marketplace plan. They should also take into consideration any late enrollment penalties if they choose to delay enrolling in Medicare until after their IEP ends.
- Many individuals may be eligible for assistance with paying premiums for Part A and Part B through MSPs.
- In addition, the programs may cover deductibles, coinsurance, and copayments if they meet certain conditions. For more information, visit [Medicare Savings Programs](#).



Medicare and Eligibility for APTC Scenario: Eligible for Premium-free Medicare Part A and Enrolls

Scenario: Paul turns 65 on June 1

- He currently has a Marketplace plan with APTC.
- Paul is eligible for Premium-free Medicare Part A.
- He must actively enroll in Medicare coverage because he is not receiving Social Security or Railroad Retirement Board (RRB) benefits.
- His IEP began February 1.
- He enrolls mid-July, during his IEP.

Is Paul still eligible for APTC?



Medicare and Eligibility for APTC Scenario: Eligible for Premium-free Medicare Part A and Enrolls- Key Points

- Paul signs up for Medicare Parts A and B in mid-July.
- His Premium-free Medicare Part A coverage would start retroactive to the first day of the month that he turned 65 – June 1.
- Under the [new CAA rule](#), which took effect Jan 1, 2023, Paul's Part B coverage will start August 1, the first day of the month after he signs up for Medicare.
- Paul will no longer be eligible for APTC on August 1.



Medicare and Eligibility for APTC Scenario: Eligible for Premium-free Medicare Part A and Doesn't Enroll

Scenario: Sally turns 65 on June 3

- Sally has a Marketplace plan with APTC.
- Sally qualifies for Premium-free Medicare Part A.
- She must actively enroll in Medicare coverage because she is not receiving Social Security or Railroad Retirement Board (RRB) benefits.
- Her IEP has begun.
- She doesn't want to enroll in Medicare; she wants to keep her Marketplace coverage.



Is Sally still eligible for APTC?

Medicare and Eligibility for APTC Scenario: Eligible for Premium-free Medicare Part A and Doesn't Enroll (Cont.)

- Sally chooses not to sign up for Medicare and is not automatically enrolled.
- For purposes of APTC eligibility, Sally will be considered “eligible” for Medicare premium-free Part A benefits on October 1, the first day of the first full month after her IEP ends.
- Sally will lose eligibility for APTC beginning October 1.
- She will need to return to the Marketplace and report she’s now eligible for Medicare premium-free Part A so that she will no longer get APTC. If Sally doesn’t report her eligibility for Medicare premium-free Part A, she may have to pay back any APTCs beginning October 1.
- Sally will pay the full price of her Marketplace plan starting October 1.



Medicare and Eligibility for APTC

CMS sends a notice to Marketplace enrollees who will turn 65 within the next month to notify them of the important decisions related to Medicare enrollment.

Letters are available in both [English](#) and [Spanish](#).



SHIP Resources

Assisters should encourage consumers to reach out to their local SHIP counselor for assistance. SHIPs provide free, local, in-depth, and objective insurance counseling and help to Medicare-eligible individuals, their households, and caregivers.

For more information visit the [State Health Insurance Assistance Program \(SHIP\)](#).



Other Resources

- Step-by-step instructions: How & when to cancel your Marketplace plan and enroll in Medicare: [Healthcare.gov/medicare/changing-from-marketplace-to-medicare/](https://www.healthcare.gov/medicare/changing-from-marketplace-to-medicare/)
- Premium-free versus Premium Medicare Part A: [Medicare.gov/basics/costs/medicare-costs](https://www.Medicare.gov/basics/costs/medicare-costs)
- How consumers should sign up for Medicare Parts A & B: [Medicare.gov/basics/get-started-with-medicare](https://www.Medicare.gov/basics/get-started-with-medicare)
- Information on Medicare Savings Programs: [Medicare.gov/basics/costs/help/medicare-savings-programs](https://www.Medicare.gov/basics/costs/help/medicare-savings-programs)
- Frequently Asked Questions on the relationship between Medicare and Marketplace coverage: [CMS.gov/Medicare/Eligibility-and-Enrollment/Medicare-and-the-Marketplace/Overview1](https://www.CMS.gov/Medicare/Eligibility-and-Enrollment/Medicare-and-the-Marketplace/Overview1)

Other Resources (Cont.)

- The late enrollment penalty for delaying enrollment in Medicare Part B: [Medicare.gov/basics/costs/medicare-costs/avoid-penalties/](https://www.medicare.gov/basics/costs/medicare-costs/avoid-penalties/)
- Medicare Periodic Data Matching (PDM) Frequently Asked Questions (FAQ): [CMS.gov/marketplace/technical-assistance-resources/medicare-periodic-data-matching-faq.pdf](https://www.cms.gov/marketplace/technical-assistance-resources/medicare-periodic-data-matching-faq.pdf)
- Medicare & You Handbook: [Medicare.gov/Pubs/pdf/10050-medicare-and-you.pdf](https://www.medicare.gov/Pubs/pdf/10050-medicare-and-you.pdf)
- Medicare Part B cost: [Medicare.gov/basics/costs/medicare-costs](https://www.medicare.gov/basics/costs/medicare-costs)*

*Note that these Medicare cost-sharing amounts will be subject to change annually