



## Partner Tip Sheet: Understanding the Order of Medicare Part A and Part B Enrollment Periods

It's becoming more common for individuals to not collect Social Security benefits prior to turning 65, as they continue to work and have group health plan coverage through that employer. However, some individuals plan their retirement around the same time they are becoming eligible for Medicare. The purpose of this tip sheet is to provide information on the order for the Medicare Part A and Part B Initial Enrollment Period and the Special Enrollment Period for the Working Aged so that you can better inform and counsel those who are enrolling in Medicare.

In the case where an individual qualifies for more than one enrollment period, the order for Medicare enrollment periods is:

1. Initial Enrollment Period (IEP)
2. Special Enrollment Period (SEP)
3. General Enrollment Period (GEP)

Both the Special Enrollment Period and the General Enrollment Period are only available following the end of an individual's IEP. Section 1837(i)(1) of the Social Security Act outlines that an individual is eligible for the SEP for the Working Aged if he or she is covered under a group health plan based on their (or their spouse's) current employment AND they didn't enroll during their IEP. This means that the individual must be out of their IEP before they can use the SEP to enroll. If an individual tries to use the SEP and enroll during the last 3 months of his/her IEP, the enrollment will be processed as an IEP enrollment and the individual will have a delay in the start of the Part B coverage. The effective dates for IEP enrollments are outlined in law.

This chart explains the enrollment dates and coverage effective dates for the IEP and SEP for the aged. Note: Coverage always starts on the 1<sup>st</sup> of the month

Initial Enrollment Period									
3 months before	2 months before	1 month before	Month turn age 65	1 month after	2 months after	3 months after	4 months after	5 months after	6 months after
Enroll in any of these months →			Coverage starts						
			Enroll →	Coverage starts					
				Enroll →		Coverage starts			
					Enroll →			Coverage starts	
						Enroll →			Coverage starts
							Enroll (SEP) →	Coverage can start*	
								Enroll (SEP) →	Coverage can start*

\*The SEP can only be used once the individual's IEP is over.

The effective dates for a SEP enrollment vary based on when the enrollment request is made. If an individual enrolls in Part B while still enrolled in a group health plan or during the first full month when not enrolled in a group health plan based on their (or their spouse's) current employment status, coverage begins with either:

- the month the individual enrolls in Part B, or
- at the individual's option, with the first day of any of the following three months.

If the individual enrolls in Part B during any of the remaining 7 months of the SEP, coverage begins with the first day of the month after the month of enrollment.

In addition, an individual who enrolls in an SEP month that occurs in January, February, or March may elect to have the enrollment processed as either a GEP or as an SEP. If the individual elects to have the enrollment processed as a GEP, coverage will be effective July 1 of that year.

**IEP/SEP Scenario:** Mr. Smith turns 65 in November, 2014. He has GHP coverage through his current employment and decides to retire starting January 1, 2015. He plans to enroll in Part B using the SEP in December so that his coverage will be effective January 1. Can he do this?

Answer: No, Mr. Smith's IEP is from August 1, 2014 through February 28, 2015. Therefore, if Mr. Smith submits his enrollment in December, it must be processed using his IEP, because his IEP isn't over. Mr. Smith's enrollment for Part B in December will be effective February 1, 2015.

When counseling individuals, you can look at the Part B enrollment effective dates for the IEP and the SEP, assuming the individual is eligible for the SEP, to help them determine when to enroll in Medicare.

**CAUTION:** It's important to consider that SSA makes the final determination of eligibility for the SEP based on information provided by the employer regarding the end date of group health plan coverage and the end date of the employment. If the individual isn't eligible for the SEP and doesn't file during the IEP, the individual will have to wait until the GEP to enroll. The coverage won't start until July of that year and the individual may be subject to a Part B late enrollment penalty for as long as they have Part B coverage.

Remember, the SEP for the Working Aged is only available if the individual has or recently had group health plan coverage based on current employment of themselves or their spouse. The SEP is available while the individual has group health plan coverage based on current employment or the 8 months following the end of the group health plan coverage or the employment, whichever occurs first. COBRA and retirement coverage don't count as current employment. In addition, following the Defense of Marriage Act (DOMA), a spouse is defined as a marriage between a man and a woman, even if your State permits same-sex marriages. Individuals in same-sex marriages aren't considered spouses for the purposes of this SEP.

For more information about enrolling in Medicare, please see the following links:

[www.medicare.gov](http://www.medicare.gov)

[www.medicare.gov/sign-up-change-plans/index.html](http://www.medicare.gov/sign-up-change-plans/index.html)

[www.medicare.gov/sign-up-change-plans/get-parts-a-and-b/when-and-how-to-get-parts-a-and-b.html](http://www.medicare.gov/sign-up-change-plans/get-parts-a-and-b/when-and-how-to-get-parts-a-and-b.html)