



Assisting Consumers Who Are Starting Medicare

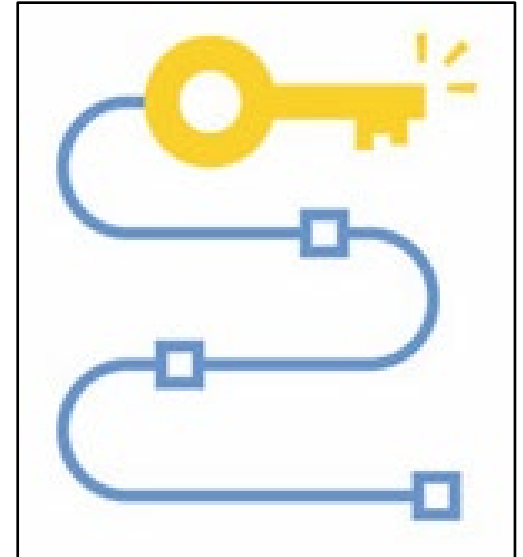
March 2025



The information provided in this document is intended only to be a general informal summary of technical legal standards. It is not intended to take the place of the statutes, regulations, or formal policy guidance that it is based upon. This document summarizes current policy and operations as of the date it was presented. We encourage readers to refer to the applicable statutes, regulations, and other interpretive materials for complete and current information. This communication was produced and disseminated at U.S. taxpayer expense. Information not releasable to the public unless authorized by law.

Overview

- Starting in March 2025, the Marketplaces on the Federal platform will have new functionality in the eligibility application that lets consumers report when they're starting Medicare.
- The Marketplace can end those consumers' Marketplace coverage at the appropriate time, while other enrollees in their households can keep their Marketplace coverage.
- Marketplace consumers can report Medicare coverage that has already started, or Medicare coverage that will start up to three months in the future.



What is Medicare

- Medicare is a federal health coverage program for:
 - People 65 or older
 - People under 65 with certain disabilities
 - People of any age with amyotrophic lateral sclerosis (ALS) (known as Lou Gehrig's Disease) or End-Stage Renal Disease (ESRD) (permanent kidney failure requiring dialysis or a kidney transplant)
- There are 4 different parts of Medicare: Parts A and B (known as Original Medicare) as well as Parts C and D:
 - Medicare Part A (Hospital Insurance)
 - Medicare Part B (Medical Insurance)
 - Medicare Part C (Medicare Advantage)
 - Medicare Part D (Medicare Prescription Drug Coverage)



Medicare and Marketplace Eligibility

- When someone is eligible for premium-free Medicare Part A or is enrolled in Medicare Part A (with or without a premium) or Medicare Advantage, they're no longer eligible for the premium tax credit or other cost savings they may be getting for their Marketplace plan.
- Most consumers qualify for premium-free Medicare Part A at age 65 or older and therefore become ineligible for the premium tax credit and other cost savings through the Marketplace. Consumers qualify for premium-free Part A coverage if:
 - They or their spouse worked for the equivalent of 10 years, either consecutively or non-consecutively, at jobs where they paid Medicare taxes (sometimes called having “qualifying quarters of coverage”), or
 - They are eligible to receive retirement benefits from Social Security, have received Railroad Retirement Board (RRB) benefits for 25 months, have received disability benefits for 24 months, or are receiving ALS disability benefits, or
 - They have ESRD and meet other specific requirements, including having the required qualifying quarters of coverage.

Medicare and Marketplace Eligibility (Cont.)

- Consumers who don't qualify for premium-free Medicare Part A at age 65 can decide if they want to enroll and pay premiums for Medicare Part A.
- If they enroll in Medicare Part A and pay a premium, they're no longer eligible for the premium tax credit and other cost savings through the Marketplace.
- If they choose not to enroll in Medicare Part A with a monthly premium, they can remain eligible for the premium tax credit and other cost savings in the Marketplace.

Transitioning from Marketplace to Medicare

- Consumers who plan to enroll in Medicare Part A (with or without a premium) or a Medicare Advantage plan should report this change to the Marketplace and end their Marketplace coverage, once they know their Medicare start date.
- 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.
 - Owing repayments of any premium tax credit they use after their Medicare starts.
- Consumers can choose to keep full-price Marketplace coverage after Medicare begins. However, dual enrollment **isn't recommended**, as it can potentially result in Marketplace coverage being terminated at renewal.
 - Insurance companies aren't allowed to knowingly sell a Marketplace plan that duplicates benefits with Medicare to people enrolled in Medicare and may be required to not renew their Marketplace coverage.

Reporting That a Marketplace Enrollee is Starting Medicare (Slide 1 of 5)

- Starting in March 2025, new functionality in the Marketplace eligibility application will let consumers report when they're starting Medicare. When an enrollee starts Medicare, the Marketplace will be able to end Marketplace coverage at the appropriate time.
- This new functionality means consumers who enroll in a Marketplace plan with other household members no longer need to contact the Marketplace Call Center to ensure that their Marketplace coverage is ended on the correct day.
- This functionality will be available through the Marketplace application on HealthCare.gov and through applications on approved Enhanced Direct Enrollment (EDE) partner sites.

Reporting That a Marketplace Enrollee is Starting Medicare (Slide 2 of 5)

- Consumers seeking Marketplace coverage will be asked if they are starting Medicare. This includes consumers who applied for Marketplace coverage previously and who update their application to report that they no longer need coverage.
- The Marketplace application includes questions about starting Medicare regardless of the applicant's age because people under age 65 can qualify for Medicare on the basis of disability, ALS, or ESRD.
- Consumers may be asked about their Medicare start date at different points in the application flow depending on:
 - The consumer's age
 - Whether they previously applied for Marketplace coverage
 - If they're applying through [HealthCare.gov](https://www.healthcare.gov) or an approved EDE partner site

Reporting That a Marketplace Enrollee is Starting Medicare (Slide 3 of 5)

- When the consumer's application indicates that they recently started or will start Medicare, they'll be asked if they have a Medicare start date.
- Consumers who answer "yes" can then enter a Medicare start date in the past or up to 3 months in the future. Medicare start dates are always on the first of the month.
 - Example: If a consumer updates their Marketplace application on March 20, 2025, they can enter a Medicare start date in the past (e.g., 2/1/2025, 3/1/2025, etc.), or up to 3 months in the future (4/1/2025, 5/1/2025, or 6/1/2025).
- Consumers should enter the date their Medicare starts or started based on when they got Medicare Part A (also known as Original Medicare) or Medicare Advantage (also known as Part C).

Reporting That a Marketplace Enrollee is Starting Medicare (Slide 4 of 5)

- Consumers who **aren't eligible for premium-free Medicare Part A**, and who chose not to enroll in Medicare and want to keep their Marketplace coverage instead, should answer "no" to this question.

Do you have a Medicare start date?

Check your Medicare card for the date coverage starts, or go to your online account at [Medicare.gov](https://www.Medicare.gov).

☒ Yes

Enter your Medicare start date.

Medicare always starts on the first of the month, for example, 2/1/2025.

Month Day Year
 / /



Since your Medicare coverage started 4/1/2024, we've set your coverage needs to "No". This avoids an overlap in Medicare and Marketplace coverage. [Learn why a coverage overlap isn't recommended.](#) If you're interested in supplemental coverage options, like [Medigap](#), you can find this and other enrollment information on [Medicare.gov](https://www.Medicare.gov).

☐ No

Reporting That a Marketplace Enrollee is Starting Medicare (Slide 5 of 5)

- Consumers can make multiple changes to their existing Marketplace application at the same time they report a Marketplace enrollee is starting Medicare.
- If the Marketplace enrollees in the household who are continuing their coverage don't qualify for a Special Enrollment Period (SEP), then their coverage will continue after the person with Medicare is removed from the plan, but they may have an updated advance payment of premium tax credit amount and premium responsibility.
- If the Marketplace enrollees in the household who are continuing their coverage qualify for a SEP, then they may have an updated advance payment of premium tax credit amount and can shop for a new plan that will be effective after the person with Medicare is removed from Marketplace coverage.
- Consumers should note that if the person starting Medicare is currently the subscriber on their Marketplace policy, the Marketplace enrollees in the household who are continuing their coverage may have their accumulators, such as deductibles, reset by their issuer.

Started Medicare in the Past

When did/does the enrollee's Medicare start?	Is the enrollee the only member of their household enrolled in a Marketplace plan?	How should the enrollee report their Medicare start date to the Marketplace?	When will the enrollee's Marketplace coverage end?
In the past	Yes – only member	Log into their HealthCare.gov account, select their application, select “Go to details,” select “My plans & programs,” and select “End (Terminate) All Coverage,” and select the desired end date.	On the date the enrollee chooses. Recommend ending as soon as possible to avoid an overlap in coverage.
	No – enrolled with others	Report a life change, update their application, and provide their Medicare start date when asked.	As soon as any Marketplace enrollees in the household who are continuing coverage confirm their plan.

Starting Medicare Next Month

When did/does the enrollee's Medicare start?	Is the enrollee the only member of their household enrolled in a Marketplace plan?	How should the enrollee report their Medicare start date to the Marketplace?	When will the enrollee's Marketplace coverage end?
First of the next month (for example, today is 4/22 and the enrollee will start Medicare on 5/1)	Yes – only member	<p>Log into their HealthCare.gov account, select their application, select “My plans & programs,” and select “End (Terminate) All Coverage.”</p> <p>When asked when they want their Marketplace coverage to end, select the day before their Medicare start date. For example, if the enrollee's Medicare starts 5/1/25, they should enter that they want their Marketplace coverage to end on 4/30/25.</p>	The enrollee's last day of Marketplace coverage will be the day before their Medicare starts. For example, the enrollee's last day of Marketplace coverage will be 4/30, and their Medicare will start 5/1. They won't have a gap or an overlap in coverage.

Starting Medicare Next Month (Cont.)

When did/does the enrollee's Medicare start?	Is the enrollee the only member of their household enrolled in a Marketplace plan?	How should the enrollee report their Medicare start date to the Marketplace?	When will the enrollee's Marketplace coverage end?
First of the next month (for example, today is 4/22 and the enrollee will start Medicare on 5/1)	No – enrolled with others	Report a life change, update their application, and provide their Medicare start date when asked.	If the Marketplace enrollees in the household who are keeping their coverage have confirmed their plan before the end of the month, then Marketplace coverage will end for the person with Medicare on the last day of the month. The Marketplace enrollees in the household other than the person with Medicare can continue Marketplace coverage and can choose to change plans if they have a SEP. When they submit their application, they'll receive a notice with information about updated tax credit amounts for any household members remaining in Marketplace coverage.

Starting Medicare Two or Three Months in the Future

When did/does the enrollee's Medicare start?	Is the enrollee the only member of their household enrolled in a Marketplace plan?	How should the enrollee report their Medicare start date to the Marketplace?	When will the enrollee's Marketplace coverage end?
Two or three months in the future (for example, today is 4/22 and the enrollee will start Medicare on 6/1)	Yes – only member	<p>Either: Log into their HealthCare.gov account, select their application, select “My plans & programs,” and select “End (Terminate) All Coverage.”</p> <p>When asked when they want their Marketplace coverage to end, select the day before their Medicare start date. For example, if the enrollee's Medicare starts 6/1, they should enter that they want their Marketplace coverage to end on 5/31.</p> <p>Or: Follow the steps below if they need to make other Marketplace coverage updates such as recent household or income changes for the months before their Medicare coverage starts.</p>	The enrollee's last day of Marketplace coverage will be the day before their Medicare starts. For example, the enrollee's last day of Marketplace coverage will be 5/31, and their Medicare will start 6/1. They won't have a gap or overlap in coverage.

Starting Medicare Two or Three Months in the Future (Cont.)

When did/does the enrollee's Medicare start?	Is the enrollee the only member of their household enrolled in a Marketplace plan?	How should the enrollee report their Medicare start date to the Marketplace?	When will the enrollee's Marketplace coverage end?
Two or three months in the future (for example, today is 4/22 and the enrollee will start Medicare on 6/1)	No – enrolled with others	Report a life change, update their application, and provide their Medicare start date when asked.	<p>The enrollee's last day of Marketplace coverage will be the day before their Medicare starts. They'll get an Eligibility Determination Notice immediately after they report their Medicare start date and submit their application. Their notice will include information about their Marketplace eligibility for the time period before their Medicare starts.</p> <p>The Marketplace enrollee can either confirm or change their Marketplace plan, depending on whether they qualify for a SEP.</p> <p>Later, during the month before Medicare begins, the household will receive another notice from the Marketplace. This notice will confirm the end date for the Medicare enrollee's Marketplace coverage, the re-enrollment of other Marketplace enrollees in the household, and the household's updated premium amount.</p>

Reporting Medicare Enrollment and a Past Birth or Adoption

- There's one scenario for which Marketplace consumers who are starting Medicare should continue to call the Marketplace Call Center:
 - A Marketplace enrollee started Medicare in the past, or is starting Medicare in the next month; and
 - In addition to reporting the enrollee's Medicare start date, someone on the application also needs to add a newborn who was born in the last 60 days or report an adoption that happened in the past 60 days.
- In these rare cases, consumers should call the Marketplace Call Center to report these changes, so that they don't risk a gap in coverage for the consumer starting Medicare.

Dual Enrollment (Slide 1 of 3)

- As previously mentioned, consumers can choose to keep full-price Marketplace coverage after Medicare begins. However, dual enrollment **isn't recommended**.
 - Insurance companies aren't allowed to sell a Marketplace plan that duplicates benefits with Medicare to people enrolled in Medicare.
 - It is important that agents, brokers, and assisters advise consumers of these potential negative consequences. Consumers who are interested in coverage to supplement their Medicare can explore Medigap or other options on Medicare.gov.



Dual Enrollment (Slide 2 of 3)

- Consumers who wish to keep full-price Marketplace coverage even though they have Medicare can indicate this choice in the application. They will see application messaging warning them about the consequences of this choice.
 - If a consumer already started Medicare or is starting Medicare in the next month and wants to dually enroll in Medicare and Marketplace coverage, the Marketplace will end any premium tax credit and cost-sharing reductions they get to lower the cost of their Marketplace plan.
 - If the consumer is starting Medicare 2 or 3 months in the future and wants to dually enroll in Medicare and Marketplace coverage, they need to update their Marketplace application the month before their Medicare coverage starts to ensure that the Marketplace ends their premium tax credit and cost-sharing reductions appropriately. If they don't, they risk having to pay back the premium tax credit amounts they use after their Medicare starts.

Dual Enrollment (Slide 3 of 3)

Are you sure? Dual enrollment isn't recommended.

Enrollment in Medicare and Marketplace coverage at the same time can result in:

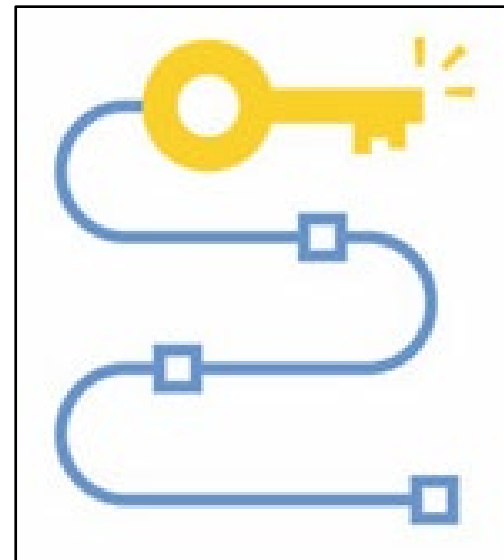
- **Canceled coverage:** Insurance companies aren't allowed to provide Marketplace plans to people enrolled in Medicare, and may cancel a person's Marketplace coverage if they're dually enrolled.
- **Loss of eligibility for tax credits:** If a person has Medicare, they won't be eligible for a tax credit to reduce the cost of a Marketplace plan. They'll have to pay full price. If a person continues to use tax credits after they start Medicare, they may have to pay money back when they file their tax return.

Looking for supplemental coverage?

If a person is looking for options to supplement Medicare, like [Medigap](#), they can find this and other enrollment information on [Medicare.gov](#).

Key Takeaways

- Starting in March 2025, the Marketplaces on the Federal platform will have new functionality in the Marketplace eligibility application that lets consumers report when they're starting Medicare.
- The Marketplace can end those consumers' Marketplace coverage at the appropriate time, while other enrollees in their households can keep their Marketplace coverage.
- Marketplace consumers can report Medicare coverage that has already started, or Medicare coverage that will start up to three months in the future.



Question #1

Does the Marketplace verify if a consumer is enrolled in Medicare?

- Upon application submission, the Marketplace verifies a consumer's current enrollment in Medicare for consumers who have applied for Marketplace coverage and appear otherwise eligible for financial help on a Marketplace plan. If the data source indicates Medicare enrollment, then the Marketplace will generate a Data Matching Issue (DMI) for the consumer to respond with documentation and resolve within 90-days; otherwise, the consumer will lose their financial help to help pay for Marketplace coverage. However, the Marketplace doesn't currently prevent consumers who have started Medicare from enrolling in Marketplace coverage.
- In addition to the DMI process, the Marketplace conducts Medicare Periodic Data Matching (PDM) to periodically check for dual enrollees (consumers who are enrolled in both Marketplace coverage and Medicare) and sends a notice about their dual enrollment status. Consumers have 30-days to respond to the notice. If they don't respond, then the Marketplace will end their financial help. Or if the enrollee had given permission on their eligibility application, the Marketplace will fully end their Marketplace coverage.

Question #2

If health insurance companies aren't allowed to knowingly sell a Marketplace plan that duplicates benefits with Medicare to consumers enrolled in Medicare, why is the Marketplace letting consumers who are starting Medicare keep their Marketplace plans?

- Consumers who are enrolled in Marketplace coverage have the choice to keep their Marketplace coverage at full-price, without the premium tax credit or other cost-savings, after Medicare begins.
 - Under the Affordable Care Act (ACA), consumers who are eligible for coverage through a government program (like Medicaid, Medicare, CHIP, or TRICARE) aren't eligible for the premium tax credit or other cost-savings.
- Dual enrollment isn't recommended as this may result in consumers:
 - Paying double premiums for overlapping coverage since Marketplace coverage generally duplicates the coverage a consumer is receiving through Medicare.
 - Paying back all or some of the premium tax credit they may have used while eligible for or enrolled in Medicare.
 - Being canceled from Marketplace coverage at the end of the year, as by law insurance companies are not allowed to knowingly sell Marketplace plans to people enrolled in Medicare.

Question #3

Can a consumer choose to stay in their Marketplace coverage and not enroll in Medicare?

- Yes, consumers can choose to stay in their Marketplace coverage instead of enrolling in Medicare.
- However, there are 3 important points for consumers to consider before making this decision:
 1. Consumers who don't enroll in Medicare when first eligible (during their initial enrollment period) may have to pay late enrollment penalties if they later enroll. If a consumer doesn't qualify for a Medicare Special Enrollment Period, they'll have to pay a monthly late enrollment penalty for as long as they have Part B coverage. The penalty goes up the longer they go without Part B coverage. And, if a consumer has to pay a penalty for Part A, they'll pay it for twice as long as they go without Part A coverage.
 2. Consumers who enroll in Medicare after their initial enrollment period ends can enroll in Medicare only during the Medicare General Enrollment Period (from January 1 to March 31) or a Medicare Special Enrollment Period, as applicable.
 3. Consumers who are eligible for premium-free Medicare Part A or in Medicare Advantage (Part C) aren't eligible for the premium tax credit or cost-sharing reductions to help pay for their Marketplace plan, even if they decline or defer Medicare enrollment.

Question #4

Can a Marketplace health insurance issuer end coverage for an enrollee if it learns that the enrollee had Medicare coverage prior to the consumer's Marketplace coverage effective date?

- Yes, the Marketplace health insurance issuer should cancel the enrollment prior to the policy being issued if the Marketplace health insurance issuer learns that the enrollment would be prohibited by law.
- If the consumer has effectuated the Marketplace enrollment, the issuer may not terminate or cancel the coverage because of the enrollee's Medicare coverage. However, at the end of the plan year, the issuer will not renew their Marketplace coverage.

Question #5

If a consumer is dually enrolled in both Medicare and Marketplace coverage, will there be coordination of benefits?

- Medicare doesn't coordinate with Marketplace coverage. However, Marketplace coverage may pay secondary to Medicare. Check your insurance policy for details.



Question #6

Can a consumer who is enrolled in both a Marketplace stand-alone dental plan and a Marketplace health plan keep the Marketplace dental plan if they're cancelling their health plan due to starting Medicare?

- No, a consumer must be enrolled in a Marketplace health plan in order to remain enrolled in a Marketplace dental plan. If Marketplace health coverage ends, then due to operational limitations any separate dental coverage will end as well. Note that some Medicare Advantage plans include dental coverage.

Question #7

If a consumer is getting advance payments of the premium tax credit for their Marketplace coverage, and doesn't end their Marketplace coverage before their Medicare start date, is there anything the consumer can do to retroactively cancel their Marketplace coverage to avoid having to pay back all or some of the premium tax credit they used while dually enrolled?

- No, consumers don't qualify for a retroactive date to end their Marketplace coverage if they don't end their Marketplace coverage before their Medicare start date.
- Consumers who use advance payments of the premium tax credit for their Marketplace coverage while enrolled in Medicare may have to pay back the amount with any other owed taxes or it could reduce their tax refund when they file their federal tax return.
- More information on reconciling premium tax credits:
 - [HealthCare.gov: How to reconcile your premium tax credit](#)
 - [IRS: Reconciling the premium tax credit](#)

Question #8

Why does the Medicare start date question appear at a different point in the application flow when using a certified enrollment partner application website?

- Certified Enrollment partners have flexibility for when in their application they collect information regarding Medicare start date. However, the Medicare start date questions and functionality will result in the same outcomes for all application channels.

Question #9

When a Marketplace enrollee reports a Medicare start date 2 to 3 months in the future, what can they expect to happen next?

- When a Marketplace enrollee reports a Medicare start date 2 to 3 months in the future, they'll get an Eligibility Determination Notice immediately after they report their Medicare start date and submit their application. Their notice will include information about their Marketplace eligibility for the time period before their Medicare starts.
- The Marketplace enrollee can either confirm or change their Marketplace plan, depending on whether they qualify for a SEP.
- During the month before Medicare begins, the household will receive another notice from the Marketplace. This notice will confirm the end date for the Medicare enrollee's Marketplace coverage, the re-enrollment of other Marketplace enrollees in the household, and the household's updated premium amount.

Question #10

Will this new functionality enable the household to change to a new subscriber when the original subscriber is being removed due to starting Medicare?

- The new functionality allows both subscribers and dependents to end their Marketplace coverage and keep the rest of their household enrolled in Marketplace coverage. If the Marketplace enrollee starting Medicare is the subscriber on a Marketplace policy, then to re-enroll remaining household members the new functionality will terminate the current policy and will generally create a new policy for the remaining members. The termination and re-enrollment will happen on the day before Medicare starts if the household reports the Medicare start date and confirms the plan in advance or will happen immediately upon plan confirmation if Medicare has already started. Note that issuers can choose to reset accumulators, such as deductibles, for the new policy.
- This new functionality doesn't allow consumers to change the household contact person on their application. The Marketplace hopes to address that issue in the future through a separate project.