



## **The Annual Election Period Agent Reference Material**

This presentation is designed to educate Medicare beneficiaries on the importance of the Annual Election Period. Understanding why this 54 day window is important will allow many consumers to stay on top of their healthcare coverage and make decisions based on their individual needs

### **The Annual Enrollment Period (AEP)**

For Medicare Advantage and Part D plans, there are specific times of the year when Medicare beneficiaries can sign up or make changes to their coverage, they are:

- Initial Enrollment Period (IEP) - this happens when a beneficiary turns 65 or first becomes eligible for Part A and/or Part B. It begins 3 months prior to the 65th birthday month, includes the month they turn 65, and ends 3 months after their 65th birthday month.
- Special Enrollment Periods (SEP) - these are specific situations in which a Medicare beneficiary may sign up for or change their Medicare Advantage or Part D coverage. These include loss of group coverage, moving out of their current plan's service area, qualifying for Medicaid and/or Low Income Subsidy, moving into a nursing home, etc.
- Annual Enrollment Period (AEP) - this is open for all Medicare beneficiaries to sign up for or make changes to their Medicare Advantage or Part D coverage.

The AEP starts on October 15th and runs through December 7th.

### **What Can You Do?**

Medicare beneficiaries can make any of the following changes during the AEP:

- Move from Original Medicare Parts A & B to a Medicare Advantage plan (with or without drug coverage)
- Move from a Medicare Advantage plan (with or without drug coverage) to another Medicare Advantage plan (with or without drug coverage)
- Leave their Medicare Advantage (with or without drug coverage) and go back to Original Medicare Parts A & B (with or without drug coverage)
- Join a Prescription Drug Plan (Part D)
- Move from a Prescription Drug Plan (Part D) to another Prescription Drug Plan (Part D)
- Leave a Prescription Drug Plan (Part D) all together

## Important Dates

Starting October 1st each year, Medicare Advantage and Part D plan sponsors can release their new benefit information for the following year.

Any changes that are made during the AEP do not take effect until the following January 1st.

**Last Application Wins**—the last application that is signed and submitted by a Medicare beneficiary is the coverage that will start on January 1st, regardless if they signed up for other coverage prior to and during the AEP. For example, if a client submitted an application for Plan A on October 15th, but then sign up for Plan B on November 20th, Plan B will go into effect January 1st. There is no need for the client (or the agent) to call and cancel their other application as long as it was for a Medicare Advantage or Part D plan. If they signed up for a Medicare Supplement plan, they will need to notify the carrier of their intent to withdraw their application.

## Annual Notice of Change (ANOC)

Medicare Advantage and Part D plan sponsors (carriers) are required to notify their beneficiaries of year-to-year changes by sending them an Annual Notice of Change. The ANOC letter is to be received by October 1st each year and will provide information about updates to their plan, including a side-by-side comparison of their benefits year-over-year. NOTE: Agents are not allowed to discuss new plan information with current beneficiaries until this notice is received, or after October 1st each year (whichever happens first).

## The AEP Checklist

The AEP checklist is a simple plan that Medicare beneficiaries should follow each AEP to ensure they are in the best-fit Medicare Advantage or Part D plan for the following year, since opportunities to change are limited by available enrollment periods.

**#1 - Review changes in current coverage.** Utilizing the ANOC letter, beneficiaries should review changes to their current coverage including copays, drug costs, covered medications, provider networks and pharmacy networks. Plus, it's a good to time to see if there have been any additional benefits added or removed from their plans.

**#2 - Quote prescription drugs.** Drug costs and coverage change on an annual basis. Medicare beneficiaries are encouraged to quote their drug cost against the new plans starting October 1st to see if there may be changes to their expected out-of-pocket costs for the following year.

**#3 - Evaluate Healthcare Needs.** The AEP is the right time for Medicare beneficiaries to reflect on the year to determine if their current coverage was adequate. They should consider if their expected utilization was as expected, above expectations or below expectations. They should also consider if they've been diagnosed with a new conditions, are taking new medications, are seeing new providers or if anything was missing from their healthcare coverage.

**#4 - Make a change, or stay put.** After steps #1-3, if beneficiaries are satisfied with their coverage they can continue on the same plan for the following year, but if they find need to make a change they must submit an application by December 7th to start their new coverage January 1st of the following year.

## What's Next?

From December 8th to the 31st, Medicare beneficiaries who made a change can expect to receive their new ID cards and plan information in the mail. It's important for them to review their new coverage to verify it's the program they signed up for and to prepare for their first doctor/pharmacy visit in the new year once coverage takes effect.

For Medicare Advantage and Part D beneficiaries that did not make a change during AEP, they should have received their new ID cards and plan information in the mail.

## Open Enrollment Period

Starting January 1st and running through the entire month of March, there exists the Medicare Advantage Open Enrollment Period (OEP). Strictly for Medicare Advantage beneficiaries, this is an opportunity to make a change to their current plan should the need arise (i.e. benefits/coverage issues, provider network issues, etc.) They have a one-time opportunity to make either of the following changes:

- Switch from one Medicare Advantage plan (with or without drug coverage) to another Medicare Advantage plan (with or without drug coverage)
- Leave their Medicare Advantage plan (with or without drug coverage) to go back to Original Medicare Parts A & B. They'll also be able to join a Part D plan.