

4 Keys to Selling to Medicare Advantage Disenrollees



Thousands of Medicare Advantage (“MA”) members risk losing coverage each year as insurers withdraw from MA sales.

Some members are taking the initiative to drop Medicare Advantage before Medicare Advantage drops them! Here are guidelines to help you sell to MA members who are eligible to disenroll from their plan outside the Annual MA Enrollment Periods.

In general, MA members cannot disenroll from their MA plans except during the Fall Annual MA Enrollment Period (October 15 through December 7) or the Annual MA Open Enrollment Period (January 1 through March 31).

Four Scenarios that allow MA members to disenroll outside the annual enrollment periods also provide a right to apply for a guaranteed issue Medicare Supplement policy. (some states provide additional rights to MA members):

Scenario #1

Customer is disenrolled from an MA plan because the plan is leaving Medicare, stops giving care in their area, or the customer moves out of the plan’s service area.

Customers in this scenario are eligible for a guaranteed issue¹ Medicare Supplement Plan A, B, C*, D, F*, HDF², G, HDG², K, or L sold in their state by any insurer.

Customers can apply for a Medicare Supplement insurance policy as early as the day they receive notice that their MA coverage will end, but no later than 63 days after the MA coverage ends.

Scenario #2

Customer joins an MA plan when they are first eligible for Medicare Part A at age 65, and within the first year of MA enrollment decides to switch to Original Medicare.

Customers in this scenario are eligible for a guaranteed issue¹ Medicare Supplement insurance policy plan sold in their state by any insurer.

Customers can apply for a Medicare Supplement insurance policy as early as 60 days before the date their MA coverage will end, but no later than 63 days after the MA coverage ends.

Scenario #3

Customer drops his/her Medicare Supplement insurance policy to join Medicare Advantage for the first time, is within the first year of MA enrollment, and wants to switch back to Original Medicare.

Customers in this scenario are eligible for the Medicare Supplement insurance policy they had before they joined MA, on a guaranteed issue basis¹, if the same insurance company still sells it. If the former Medicare Supplement insurance policy isn't available, they are eligible for a guaranteed issue Medicare Supplement Plan A, B, C*, D, F*, HDF², G, HDG², K, or L sold in their state by any insurance company.

Customers can apply for a Medicare Supplement insurance policy as early as 60 days before the date their MA coverage will end, but no later than 63 days after the MA coverage ends.

Scenario #4

Customer who has been with an MA plan for more than one year may disenroll if Medicare has made a written determination that the Medicare Advantage organization materially misrepresented plan provisions or violated its agreement with the enrollee. Customers in this scenario are eligible for a guaranteed issue¹ Medicare Supplement Plan A, B, C*, D, F, HDF², K, or L sold in their state by any insurance company, no later than 63 days after the MA coverage ends.**

Medicare Advantage members must disenroll by calling their MA provider or by calling Medicare at 1-800-MEDICARE. A valid disenrollment request returns the enrollee to Original Medicare. The Medicare Rights Center strongly advises those wishing to disenroll from Medicare Advantage to do so by calling Medicare. Medicare then notifies the MA provider of the disenrollment and tracks when the letter is issued. The MA provider must mail a disenrollment letter to the customer within 15 business days. The UA/Globe Life Insurance Company of New York Home Office has extended the amount of time business will pend while it waits for the disenrollment letter to 60 days. The pending period remains 30 days for all other underwriting requirements.

Reminders:



Agents should advise customers not to disenroll from Medicare Advantage plans until their United American /Globe Life Insurance Company of New York Medicare Supplement application has been approved by the Home Office. The customer has up to 60 days to provide proof of disenrollment from Medicare Advantage to the Home Office.



No Guaranteed Issue Medicare Supplement insurance policy will be issued without proof of Medicare Advantage disenrollment. Proof of disenrollment only will not be sufficient to issue on a Guaranteed Issue basis.



Thousands of Medicare Advantage members and thousands of former members need your help as they return to Original Medicare and seek a quality Medicare Supplement insurance policy. Remember, when appropriate, an HDF*/HDG or F+*/G+ plan is a great choice for Seniors. UA also offers the Reserve Fund Annuity⁴ to help Seniors save the deductible amount they must pay before their policy benefits take effect. According to an Oct. 11 article on Deposit Accounts' website³, the highest CD yields are all less than the guaranteed 3% we offer with the RFA⁴.



Applicants must have Medicare Part A and Part B to apply for a Medicare Supplement policy for our company.



Remember, agents cannot call Medicare Advantage providers or Medicare or navigate the Internet to their websites for the customers. Agents may only provide the customers with the phone numbers and Internet addresses. Agents who violate this rule are subject to disciplinary action up to and including termination.

¹Always Guaranteed Issue in New York and Connecticut.

²F+ and G+ in New York.

³Tumin, Ken (2016, October 11) CD Rates Summary July 2020. www.depositaccounts.com/ratetable/cd

⁴The Reserve Fund Annuity is not available in all states; limitations and exclusions apply.

*Plans C, F and HDF are only available to individuals eligible for Medicare before January 1, 2020.

**Scenario #4 is not common and requires proof that Medicare found the MA company misrepresented the plan.