Switching from Medicare Advantage to Original Medicare & Supplement

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Medicare Advantage Plans (HMOs) can be a great option for people with lower incomes and for those who are relatively healthy. They may offer additional benefits such as optical, dental, prescription, and even gym membership. Most of them don't charge extra for these services. Unfortunately, when people become sick or need higher levels of care or assistance, these plans may fall short on coverage. In order to get these services without additional charge, enrollees are limited in their choice of doctors as well as hospital/facility choice. It may also be harder to get durable medical goods such as a electric wheel chair or scooter. So, what is one to do if they want out of the HMO?

Well, timing is key. Except for certain exceptions, individuals can only disenroll from an Advantage plan during the Medicare Open Enrollment Period (October 15 – December 7, 2012) or the Medicare Advantage Disenrollment Period (January 1 - February 14, 2013). If individuals disenroll during the Medicare Open Enrollment Period, Original Medicare will start January 1, 2013. If they disenroll during the Medicare Advantage Disenrollment Period, Original Medicare will begin the first day of the following month.

To disenroll from an Medicare Advantage Plan, enrollees simply have to select a Part D (prescription drug) plan during one of the above periods. This will automatically disenroll the individual from the Medicare Advantage Plan. Once an individual signs up for the Part D plan, the individual would be wise to sign up for a Medicare Supplement. Individuals can sign up for a supplemental plan and set it to start the same day as Original Medicare. For those with limited assets and income, it would be wise to look into Medicare's extra help program that reduces the co-pays for prescription drugs.

Individuals are guaranteed to be issued Medicare Supplements if they apply for one within six months of the date they turn 65 and are enrolled in Part B. After that period expires, individuals must go through underwriting before a policy will be issued. There is a wide variety in underwriting guidelines among the companies offering supplemental insurance. Some may be very difficult while others may only ask a couple of questions. Those couple questions are generally, (1) has the applicant been discharged from a hospital within 90 days and, (2) has the applicant been told that they need some sort of surgery or procedure (waiting to have surgery). If an applicant can answer those two questions honestly in the negative, he or she can qualify for a supplement. If one company turns down an individual, they would do well to try others. This means that even people in a nursing home and on Medicaid can get a Medicare Supplement.

If you've been thinking about switching, now is the time to get out there and make it happen. It's easier than you think!!!