



November 4, 2024

The Honorable Mike Braun
Ranking Member
Committee on Aging
United States Senate
Washington, DC 20510

Dear Senator Braun:

I am pleased to submit our Report to Congress entitled, "Section 120 of the Consolidated Appropriations Act, 2021 (CAA) Beneficiary Enrollment Simplification."

Section 120 of the CAA requires the Secretary to submit a report to Congress on how to align existing Medicare enrollment periods, including the general enrollment period for Part B, the annual coordinated election period for Medicare Advantage (Part C), and the prescription drug program (Part D) with the goal of maximizing coverage continuity and choice and easing beneficiary transition. To address this reporting requirement, the Centers for Medicare & Medicaid Services explored possible alignment options and this report examines those options.

I am also sending a copy of this report to the House Committees on Ways and Means and Energy and Commerce, and Senate Committee on Finance. Please do not hesitate to contact me at 202-690-7627 if you have questions or concerns.

Sincerely,

Melanie Anne Egorin, PhD
Assistant Secretary for Legislation

Enclosure



November 4, 2024

The Honorable Robert. P. Casey, Jr.
Chair
Committee on Aging
United States Senate
Washington, DC 20510

Dear Chair Casey:

I am pleased to submit our Report to Congress entitled, "Section 120 of the Consolidated Appropriations Act, 2021 (CAA) Beneficiary Enrollment Simplification."

Section 120 of the CAA requires the Secretary to submit a report to Congress on how to align existing Medicare enrollment periods, including the general enrollment period for Part B, the annual coordinated election period for Medicare Advantage (Part C), and the prescription drug program (Part D) with the goal of maximizing coverage continuity and choice and easing beneficiary transition. To address this reporting requirement, the Centers for Medicare & Medicaid Services explored possible alignment options and this report examines those options.

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Melanie Anne Egorin, PhD
Assistant Secretary for Legislation

Enclosure



November 4, 2024

The Honorable Mike Crapo
Ranking Member
Committee on Finance
United States Senate
Washington, DC 20510

Dear Senator Crapo:

I am pleased to submit our Report to Congress entitled, "Section 120 of the Consolidated Appropriations Act, 2021 (CAA) Beneficiary Enrollment Simplification."

Section 120 of the CAA requires the Secretary to submit a report to Congress on how to align existing Medicare enrollment periods, including the general enrollment period for Part B, the annual coordinated election period for Medicare Advantage (Part C), and the prescription drug program (Part D) with the goal of maximizing coverage continuity and choice and easing beneficiary transition. To address this reporting requirement, the Centers for Medicare & Medicaid Services explored possible alignment options and this report examines those options.

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Melanie Anne Egorin, PhD
Assistant Secretary for Legislation

Enclosure



November 4, 2024

The Honorable Cathy McMorris Rodgers
Chair
Committee on Energy and Commerce
U.S. House of Representatives
Washington, DC 20515

Dear Chair Rodgers:

I am pleased to submit our Report to Congress entitled, "Section 120 of the Consolidated Appropriations Act, 2021 (CAA) Beneficiary Enrollment Simplification."

Section 120 of the CAA requires the Secretary to submit a report to Congress on how to align existing Medicare enrollment periods, including the general enrollment period for Part B, the annual coordinated election period for Medicare Advantage (Part C), and the prescription drug program (Part D) with the goal of maximizing coverage continuity and choice and easing beneficiary transition. To address this reporting requirement, the Centers for Medicare & Medicaid Services explored possible alignment options and this report presents those options.

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Melanie Anne Egorin, PhD
Assistant Secretary for Legislation

Enclosure



November 4, 2024

The Honorable Richard Neal
Ranking Member
Committee on Ways and Means
U.S. House of Representatives
Washington, DC 20515

Dear Representative Neal:

I am pleased to submit our Report to Congress entitled, "Section 120 of the Consolidated Appropriations Act, 2021 (CAA) Beneficiary Enrollment Simplification."

Section 120 of the CAA requires the Secretary to submit a report to Congress on how to align existing Medicare enrollment periods, including the general enrollment period for Part B, the annual coordinated election period for Medicare Advantage (Part C), and the prescription drug program (Part D) with the goal of maximizing coverage continuity and choice and easing beneficiary transition. To address this reporting requirement, the Centers for Medicare & Medicaid Services explored possible alignment options and this report examines those options.

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Melanie Anne Egorin, PhD
Assistant Secretary for Legislation

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November 4, 2024

The Honorable Frank Pallone Jr.
Ranking Member
Committee on Energy and Commerce
U.S. House of Representatives
Washington, DC 20515

Dear Representative Pallone:

I am pleased to submit our Report to Congress entitled, "Section 120 of the Consolidated Appropriations Act, 2021 (CAA) Beneficiary Enrollment Simplification."

Section 120 of the CAA requires the Secretary to submit a report to Congress on how to align existing Medicare enrollment periods, including the general enrollment period for Part B, the annual coordinated election period for Medicare Advantage (Part C), and the prescription drug program (Part D) with the goal of maximizing coverage continuity and choice and easing beneficiary transition. To address this reporting requirement, the Centers for Medicare & Medicaid Services explored possible alignment options and this report examines those options.

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Melanie Anne Egorin, PhD
Assistant Secretary for Legislation

Enclosure



November 4, 2024

The Honorable Jason Smith
Chair
Committee on Ways and Means
U.S. House of Representatives
Washington, DC 20515

Dear Chair Smith:

I am pleased to submit our Report to Congress entitled, "Section 120 of the Consolidated Appropriations Act, 2021 (CAA) Beneficiary Enrollment Simplification."

Section 120 of the CAA requires the Secretary to submit a report to Congress on how to align existing Medicare enrollment periods, including the general enrollment period for Part B, the annual coordinated election period for Medicare Advantage (Part C), and the prescription drug program (Part D) with the goal of maximizing coverage continuity and choice and easing beneficiary transition. To address this reporting requirement, the Centers for Medicare & Medicaid Services explored possible alignment options and this report examines those options.

I am also sending a copy of this report to the House Committee on Energy and Commerce, the Senate Committee on Finance, and Senate Committee on Aging. Please do not hesitate to contact me at 202-690-7627 if you have questions or concerns.

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Melanie Anne Egorin, PhD
Assistant Secretary for Legislation

Enclosure



November 4, 2024

The Honorable Ron Wyden
Chair
Committee on Finance
United States Senate
Washington, DC 20510

Dear Chair Wyden:

I am pleased to submit our Report to Congress entitled, "Section 120 of the Consolidated Appropriations Act, 2021 (CAA) Beneficiary Enrollment Simplification."

Section 120 of the CAA requires the Secretary to submit a report to Congress on how to align existing Medicare enrollment periods, including the general enrollment period for Part B, the annual coordinated election period for Medicare Advantage (Part C), and the prescription drug program (Part D) with the goal of maximizing coverage continuity and choice and easing beneficiary transition. To address this reporting requirement, the Centers for Medicare & Medicaid Services explored possible alignment options and this report examines those options.

I am also sending a copy of this report to the House Committees on Ways and Means and Energy and Commerce, and Senate Committee on Aging. Please do not hesitate to contact me at 202-690-7627 if you have questions or concerns.

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Melanie Anne Egorin, PhD
Assistant Secretary for Legislation

Enclosure

Report to Congress
Medicare Beneficiary Enrollment Simplification
Required by Section 120 of Division CC, Title I,
Subtitle B of the Consolidated Appropriations Act, 2021
November 2024

Executive Summary

Section 120 of Division CC, title I, subtitle B of the Consolidated Appropriations Act, 2021 (CAA, Pub. L. 116-260) provides for Medicare Part A and Part B coverage to take effect earlier for people who enroll during the general enrollment period (GEP) or within the last 3 months of their initial enrollment period (IEP) by making the effective date of coverage begin the month following the month of enrollment. It also provides the Secretary of Health and Human Services (the Secretary) the authority to establish special enrollment periods (SEPs) for individuals who are eligible to enroll in Medicare Part A and Part B and meet exceptional conditions. These changes are effective January 1, 2023.

Section 120(a)(4) of the CAA also requires the Secretary to submit a report to Congress on how to align existing Medicare enrollment periods, including the general enrollment period for Part B, the annual coordinated election period for Medicare Advantage (Part C), and the prescription drug program (Part D) with the goal of maximizing coverage continuity and choice and easing beneficiary transition. Section 120(a)(4) further requires the report to include recommendations consistent with the goals of maximizing coverage continuity and choice and easing beneficiary transition. To address this reporting requirement, the Centers for Medicare & Medicaid Services (CMS) explored possible alignment options and the impact any changes to existing Medicare enrollment periods may have on beneficiaries. This report examines those options. To the extent that any of the options would require a statutory or administrative change, please note that this report does not necessarily endorse such a change. Legislative recommendations endorsed by the Administration would be contained in the President's budget.

Background

Overview of the Medicare Program

Established in 1965 under Title XVIII of the Social Security Act, Medicare is a federal program that provides health insurance for people ages 65 and older and those under 65 with certain disabilities and End-Stage Renal Disease (ESRD). Medicare consists of four parts, commonly referred to as Medicare Parts A, B, C, and D. Medicare Part A, sometimes referred to as hospital insurance, covers inpatient hospital services, skilled nursing care, hospice care, and some home health services. Medicare Part B, or supplementary medical insurance, is an optional benefit that helps cover medically necessary services and supplies like physicians' services, durable medical equipment, outpatient care, and other medical services that Part A does not cover, including many preventive services. Together, Part A and Part B comprise "Original" Medicare. While CMS administers the Medicare program, enrollment is through the Social Security Administration (SSA).

Medicare Part C, commonly known as Medicare Advantage (MA), is an alternative to the Original Medicare delivery system for people who are eligible and enrolled in Part A and Part B. Offered through private insurance companies that are contracted with the federal government, MA plans cover, with limited exceptions, the same Part A and Part B benefits of Original

Medicare and often offer additional benefits such as dental, vision, or hearing. Most MA plans also cover Medicare Part D prescription drug benefits.

Also provided by private insurance companies is the Medicare prescription drug benefit, known as Part D. This is an optional benefit that Medicare enrollees can choose to enroll in. An individual can enroll in Part D coverage under a stand-alone drug plan which provides prescription drug coverage for those with Original Medicare, or, if they are eligible for MA, through an MA-prescription drug plan (MA-PD).

Most individuals aged 65 or older are automatically entitled to premium-free Part A because they (or their spouses) paid Medicare taxes for at least 10 years. Those under the age of 65 who receive cash disability benefits from SSA for at least 24 months and individuals of any age with ESRD are also entitled to Part A. Eligible individuals who are not entitled to premium-free Part A may obtain coverage by paying a monthly premium, which can vary based on an individual's circumstances. For individuals who are entitled to premium Part A and do not sign up for it when first eligible, a 10% late enrollment penalty (LEP) is added to their monthly Part A premium for twice the number of years they went without it.

Those entitled to Part A may enroll in Part B, which does require a standard monthly premium (\$164.90 in 2023). Individuals with a higher income may have to pay a higher monthly amount in addition to the premium (also referred to as the Income Related Monthly Adjustment Amount (IRMAA)). The Part B-IRMAA is based on a person's modified adjusted gross income from two years prior to enrollment. In addition, if an individual is entitled to Part B and does not sign up for it when first eligible, a 10% LEP may be added to their monthly Part B premium for each 12-month period they went without it and may be imposed for the duration of their Part B coverage. Individuals with lower incomes may qualify for assistance through Medicare Savings Programs that help with Part A and Part B deductibles, coinsurance, and copayments.

Individuals, in most cases, must actively enroll in Part C or Part D if they choose to enroll (Part C and Part D plans are optional to elect and enrollment is not required). Eligible individuals can enroll in an MA plan without prescription drug coverage, an MA plan with prescription drug coverage (MA-PD plan), or a standalone Part D plan. If an individual does not have creditable drug coverage for 63 days or more after first being eligible for Medicare, they may be penalized an additional 1% for each month they went without prescription drug coverage. This Part D LEP percentage is based on the "national base beneficiary premium" (\$32.74 in 2023) and is added to an individual's monthly premium for as long as they have Medicare drug coverage, even if they switch plans. Premiums for Part C and Part D vary by plan. Like Part B, higher-income enrollees with Part D may pay higher premiums (Part D-IRMAA), but Medicare does provide assistance to low-income enrollees. Individuals may only enroll in premium Part A, Part B, Part C, or Part D during an enrollment period.

Medicare Enrollment Periods

Medicare Enrollment Periods												Parts A & B
												Parts C & D
												Parts A, B, C & D
Enrollment Period	Jan	Feb	March	April	May	June	July	August	Sept	Oct	Nov	Dec
IEP	7-month window: 3 months prior to an individual turning 65 through 3 months post 65 th birthday											
GEP	Jan 1 – March 31											
ICEP	Varies depending on when an individual enrolls in Part B											
AEP										Oct 15 – Dec 7		
MA OEP	Jan 1 – March 31											
SEP	Varies depending on individual circumstance											

Figure 1 – Medicare Enrollment Periods

Initial Enrollment Period (Premium Part A and Part B)

The first opportunity individuals have to enroll in Original Medicare (if they have not been automatically enrolled) is during their initial enrollment period (IEP). The IEP is a 7-month period that usually begins 3 months before the month in which an eligible individual turns 65 and ends 3 months after the month the individual first becomes eligible. Effective as of January 1, 2023, an individual's entitlement, or coverage period effective date, begins the month after the month of enrollment. (See sections 1818(c) and 1837(d) of the Act; 42 CFR 406.21 and 407.14.)

General Enrollment Period (Part A and Part B)

For individuals who did not enroll in Original Medicare during their IEP or chose to delay enrollment, another opportunity to enroll in Part A and Part B is during the general enrollment period (GEP), which runs yearly from January 1st through March 31st. Effective January 1, 2023, entitlement begins the month after the month of enrollment. (See sections 1818(c)(1) and 1837(e) of the Act; 42 CFR 406.21(c) and 407.12.)

Initial Coverage Election Period (Part C)

For individuals who are enrolled in Original Medicare, the Initial Coverage Election Period (ICEP) is the first opportunity to enroll in a Medicare Advantage (MA) plan. An individual must be enrolled in Part A and Part B to qualify for MA coverage. If an individual enrolls in Original Medicare during their IEP, their ICEP will run concurrently, allowing for enrollment in both Part A and Part B and then subsequent enrollment in an MA plan during the 7-month period. If an individual does not enroll in Part B during their IEP and/or delays enrollment in Part B, their ICEP begins 3 months prior to the date on which the individual has both Part A and Part B

coverage (that is, the individual's Part B coverage effective date) and ends on the last day of the month before Part B coverage begins (with the entitlement date taking effect after Original Medicare coverage begins). (See section 1851(e)(1) of the Act; 42 CFR 422.62(a)(1).)

Initial Enrollment Period (Part D)

The initial enrollment period for Part D is the period during which an individual is first eligible to enroll in a Part D plan. In general, an individual is eligible to enroll in a Part D plan when they are entitled to Part A or enrolled in Part B and live in the service area of a Part D plan. Individuals who are becoming eligible for Medicare will have an IEP for Part D which is the 7-month period surrounding Medicare eligibility (i.e., the same as the IEP for Part B). Those not eligible to enroll (i.e., individuals who are outside of the service area, incarcerated, out of the country, etc.) in a Part D plan at any time during their IEP for Medicare Part B will have an IEP for Part D that begins 3 months prior to the month of eligibility and ends three months after the month of eligibility. (See section 1860D-1(b)(2) of the Act; 42 CFR 423.38(a).)

Annual Coordinated Enrollment Period (Part C and Part D)

Individuals with Medicare have a yearly annual coordinated enrollment period, also referred to as the annual enrollment period (AEP) or Open Enrollment, from October 15 through December 7 in which they can review their existing healthcare coverage and make plan changes. During the AEP, individuals can enroll in a new plan, switch from one plan to another, or switch from an MA plan back to traditional Medicare. For those who make changes to their existing plans or enroll in a new plan, their coverage period effective date begins on January 1 of the following year. (See sections 1851(e)(3) and 1860D-1(b)(2)(B) of the Act; 42 CFR 422.62(a)(2) and 42 CFR 423.38(b).)

Medicare Advantage Open Enrollment Period (Part C)

For individuals who are enrolled in an MA plan and would like to make additional changes to their MA coverage, the Medicare Advantage Annual Enrollment Period (MA OEP) from January 1 through March 31 is a yearly opportunity for those who already have an MA plan to switch to another MA plan or revert back to the Original Medicare delivery system. Those who choose to go back to the Original Medicare delivery system can also sign up for a Part D plan during this time. In addition, new Medicare enrollees who are enrolled in an MA plan during their ICEP have an OEP that begins the month of entitlement to Part A and Part B and runs through the last day of the third month of entitlement. The effective date for an MA OEP election is the first of the month following receipt of the enrollment request. (See section 1851(e)(2)(G) of the Act; 42 CFR 422.62(a)(3).)

Special Enrollment Periods (Part A, B, C, and D)

For individuals who lose healthcare coverage, experience certain life events, or are prevented from timely enrollment into Medicare due to qualifying circumstances, there are special enrollment periods (SEPs) that have been established in the statute that grant enrollment in

Original Medicare, Medicare Advantage, and Part D. The requirements and enrollment periods for these SEPs vary, respectively.

The Working Aged and Working Disabled (Part A and Part B) – this SEP is available to individuals who did not enroll in Part B or premium Part A when first eligible because they were covered under a group health plan based on their own or a spouse's current employment (or the current employment of a family member, if disabled). (See sections 1818(c)(7) and 1837(i) of the Act; 42 CFR 406.24 and 407.20.)

International Volunteers (Part A and Part B) – this SEP is available to individuals who did not enroll in Part B or premium Part A when first eligible because they were performing volunteer service outside of the United States for at least 12 months on behalf of a tax-exempt organization and had health insurance that provided coverage for the duration of the volunteer service. (See section 1837(k) of the Act; 42 CFR 406.25 and 407.21.)

TRICARE (Part B) – this SEP is available to TRICARE enrollees who are entitled to Medicare Part A due to disability or ESRD, and who previously declined Medicare Part B during their IEP. (See section 1837(l) of the Act.)

Change in Residence (Part C and Part D) – this SEP is available to individuals who move outside of their plan area, have new plan options due to a move within the same plan service area, or move back to the United States after living abroad and wish to select a new Part C or Part D plan. (See sections 1851(e)(4)(B) and 1860D-1(b)(1)(B)(iii) of the Act; 42 CFR 422.62(b)(2) and 42 CFR 423.38(c)(7).)

Contract Violation (Part C and Part D) – this SEP is available if an individual can demonstrate to CMS that the plan in which he/she is a member substantially violated a material provision of its contract in relation to the individual, or the plan (or its agent) materially misrepresented the plan when marketing the plan. (See sections 1851(e)(4)(C) and 1860D-1 (b)(3) the Act; 42 CFR 422.62(b)(3)(i) and 42 CFR 423.38(c)(8).)

Contract Termination or Nonrenewals (Part C and Part D) – this SEP is available to individuals who enrolled in plans that have been terminated or will be non-renewing for the next plan year. (See sections 1851(e)(4)(A)(ii) and 1860D-1(b)(3) of the Act; 42 CFR 422.62(b)(1) and 42 CFR 423.38(c)(6).)

Creditable Coverage (Part D) – an SEP available for individuals who involuntarily lose creditable prescription drug coverage, including a reduction in the level of coverage so that it is no longer creditable. This SEP is also available for individuals who were not adequately informed of the creditable status of drug coverage provided by an entity required to give such notice, or a loss of creditable coverage. (See section 1860D-1(b)(3)(A) of the Act, 42 CFR 423.38(c)(1) and (c)(2).)

Errors in Enrollment (Part D) – an SEP available for individuals whose enrollment or non-enrollment in Part D is erroneous due to an action, inaction, or error by a federal employee. (See section 1860D-1(b)(3)(B) of the Act, 42 CFR 423.38(c)(3).)

Exceptional Conditions – the Secretary has the authority to establish SEPs for exceptional circumstances under the MA and Part D programs. In addition, CMS has codified several new SEPs for all parts of the Medicare program, including a limited number of SEPs under the authority of Section 120 of the CAA for Parts A and B. (See sections 1837(m), 1851(d)(4)(D), and 1860D-1(b)(3)(C) of the Act; 42 CFR 406.27, 407.23, 422.62(b), and 423.38(c).) These SEPs include:

- Individuals Impacted by an Emergency or Disaster (Parts A^{*}, B^{*}, C and D)
- Health Plan or Employer Misrepresentation or Providing Incorrect Information (Parts A and B)^{*}
- Formerly Incarcerated Individuals (Parts A and B)^{*}
- Termination of Medicaid Coverage (Parts A and B)^{*}
- Eligible for both Medicare and Medicaid (Parts C and D)
- Qualify for Extra Help paying for Medicare prescription drug coverage (Part D)
- Enrolled in a State Pharmaceutical Assistance Program (SPAP) or lose SPAP eligibility (Parts C and D)
- Dropped a Medigap policy when first joining a Medicare Advantage plan (Parts A and B)
- The individual has a severe or disabling chronic condition and there is a Medicare Chronic Care Special Needs Plan (C-SNP) available to serve such a condition (Part C)
- Enrolled in a SNP and no longer meets the applicable special needs status (Part C)
- Other Exceptional Conditions (Parts A^{*}, B^{*}, C and D)

Challenges for Medicare Enrollment

While the existing Medicare enrollment process is effective in allowing individuals to enroll in a timely manner as well as choose how they would like to receive their Medicare coverage, there remain challenges that can create barriers to prospective enrollees:

Multiple Enrollment Periods Can Cause Confusion

The primary enrollment periods established in statute (i.e., IEP, GEP, ICEP, AEP) have existed since the beginning of their respective programs. Despite outreach efforts, individuals can still find the Medicare enrollment process – or the Medicare program as a whole – to be confusing and/or intimidating. Based on feedback from external stakeholders and program experience, we believe this could be due to the various enrollment periods that are currently available for the different parts of the Medicare program and/or because an individual may be unsure whether (or when) to enroll. While CMS provides robust outreach and educational materials as well as enrollment guidance through partnerships with outside entities, it is still an individual's responsibility to understand the information available and make an informed decision.

^{*} SEP established under the authority of section 120 of the CAA.

Late Enrollment Penalties Can Be Lifelong

LEPs help encourage individuals to make Medicare enrollment decisions in a timely manner. While there are several SEPs, including the recently established authority for exceptional conditions SEPs in Parts A and B, that help mitigate the ramifications of missed enrollment due to errors or other circumstances, there remains the possibility that, due to beneficiary choice, confusion and/or other reasons, LEPs incurred for late enrollment can cause financial hardship on an individual for several years (or for the entirety of their Medicare coverage).

Impact of the Timing of SSA Processing A/B Enrollment and CMS Processing C/D Enrollment

CMS's ability to process an individual's Part C and/or Part D enrollment is entirely dependent on SSA initially processing the individual's enrollment in Part A and/or Part B and transmitting that data to CMS. If an individual submits an enrollment for Parts C and/or D before SSA has processed the Parts A and/or B enrollment and transmitted the data to CMS, it would result in CMS denying the Part C and/or Part D enrollment. Additionally, if this enrollment denial takes place toward the end of the month, it could result in an individual having to wait until the following month for their Part C and/or Part D enrollment to be processed and their coverage effective date could be delayed a month.

Gaps in Part C or Part D Enrollment Post Enrollment in Medicare Part A or Part B

There can be challenges for individuals transitioning to Medicare coverage, especially those who are enrolling in Part A and/or Part B during the GEP and do not have a coordinating Part C and/or Part D enrollment period. An individual has to wait until the AEP (October 15 – December 7) to enroll in Part C and/or Part D and their coverage is not effective until January 1st of the following year. This could also result in a Part D LEP. While the majority of individuals enroll during their IEP, recent trends have shown that more individuals are bypassing their IEP and enrolling during the GEP.

Research Conducted

CMS reviewed the current Medicare enrollment periods and explored how other enrollment options (i.e., aligning, moving, or extending them) might help reduce gaps in coverage and ease the transition of care for Medicare enrollees. As part of the review, we had discussions with the Social Security Administration (SSA), which is responsible for processing Medicare Part A and B enrollments and would be responsible for implementing any operational changes associated with those enrollment periods. Several alternatives to the existing Medicare enrollment periods were considered for their possible advantages and disadvantages (from a program, operational and systematic perspective). In contemplating these options, we considered the need to balance increasing coverage continuity without creating more beneficiary confusion or creating further operational obstacles that would negatively impact the transition of, or delay, coverage for the individual.

Options For Aligning Enrollment Periods

Option 1: Align the GEP with the AEP (October 15 – December 7)

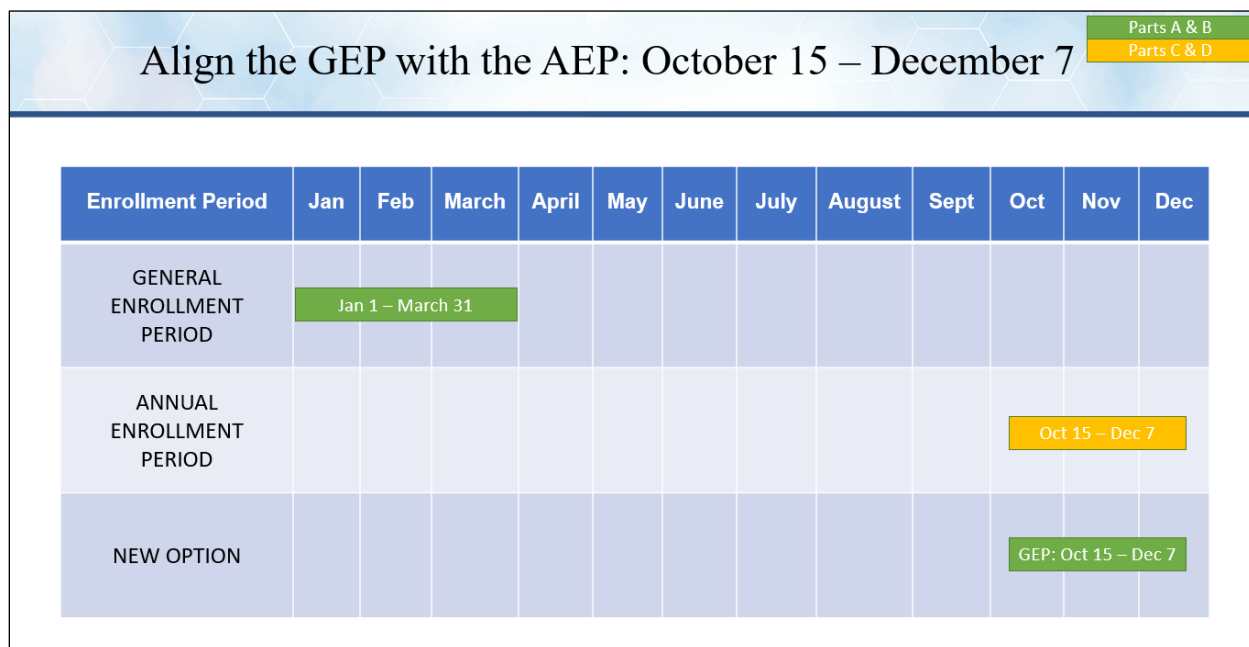


Figure 2 – Align the GEP with the AEP

In this option, we explored moving the GEP from January 1 through March 31 to align with the AEP from October 15 to December 7, thereby creating a fall ‘Open Enrollment’ period that would apply to all parts of Medicare. This option would streamline and standardize all Medicare enrollment outreach and education for beneficiaries by establishing a set timeframe each year (i.e., the fall) for individuals to consider their Medicare coverage options and receive all Medicare-related outreach and marketing materials. However, combining Part A and Part B with Part C and Part D enrollment periods might increase beneficiary confusion, as individuals may not know the difference between the different types of coverage or their respective effective dates. Currently, during the GEP, the effective date for Parts A and B enrollment is the month following the month of enrollment whereas Parts C and D coverage is statutorily effective on January 1 of the following year. Additionally, receiving all Medicare-related messaging and marketing materials simultaneously may overwhelm beneficiaries

This option would require a statutory change. If pursued further, this option would require, in addition to the statutory change, a significant implementation period (e.g., at least two years) to account for notice and comment rulemaking and operational implementation, as well as additional funding and staffing for both CMS and SSA for initial implementation.

Option 2: Extend the AEP through the GEP (October 15 – March 31)



Figure 3 – Extend the AEP into the GEP

In this option, we explored extending the AEP into the GEP (October 15 – March 31) to allow current and prospective Medicare enrollees more time to enroll in an MA plan. There was some concern that extending the AEP into the GEP could cause beneficiary confusion regarding effective dates since Part A and Part B entitlement, as currently set forth in statute, begin the month following the month of enrollment, and Part C and Part D coverage is statutorily effective on January 1 of the year following the individual’s enrollment.

This option would require a statutory change. This enrollment period change would require, in addition to the statutory change, a significant implementation period (e.g., at least two years) to account for notice and comment rulemaking and operational implementation, as well as additional funding and staffing for both CMS and SSA for initial implementation.

Option 3: Move the GEP to the Summer (July 1 – September 30)

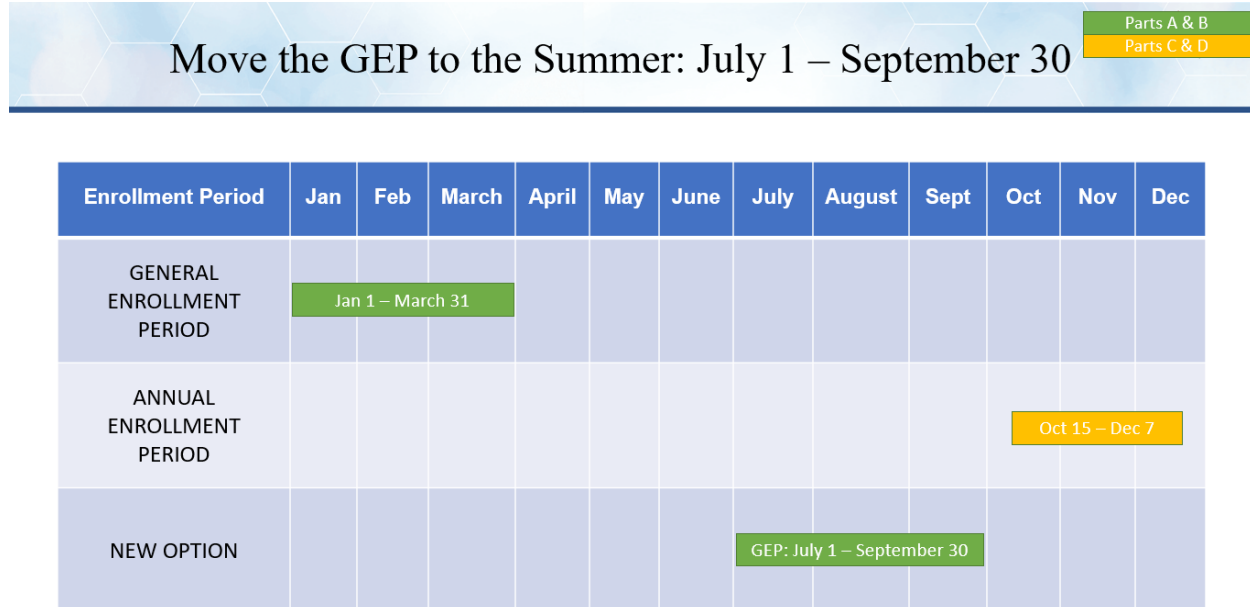


Figure 4 – Move the GEP to the Summer

In this option, we explored moving the GEP from January 1st through March 31st to July 1st through September 30th to create a summer GEP. Moving the GEP to the summer would maintain the separation of the GEP and AEP for timely Medicare entitlement processing but minimize the gap of when an individual enrolling in Part A and Part B can also enroll in Part C and Part D during the AEP. However, this enrollment change could further confuse beneficiaries who would go from receiving Parts A and B messaging to directly receiving Parts C and D outreach and marketing materials.

This option would require a statutory change. This option would require, in addition to a statutory change, a significant implementation period (e.g., at least two years) to account for notice and comment rulemaking and operational implementation, as well as additional funding and staffing for both CMS and SSA for initial implementation.

Option 4: Keep the GEP (January 1 – March 31) static and establish a new SEP for Part C and Part D that would provide a seamless transition for individuals enrolling in Fee-for-Service (FFS) and choosing to enroll in Part C and/or Part D

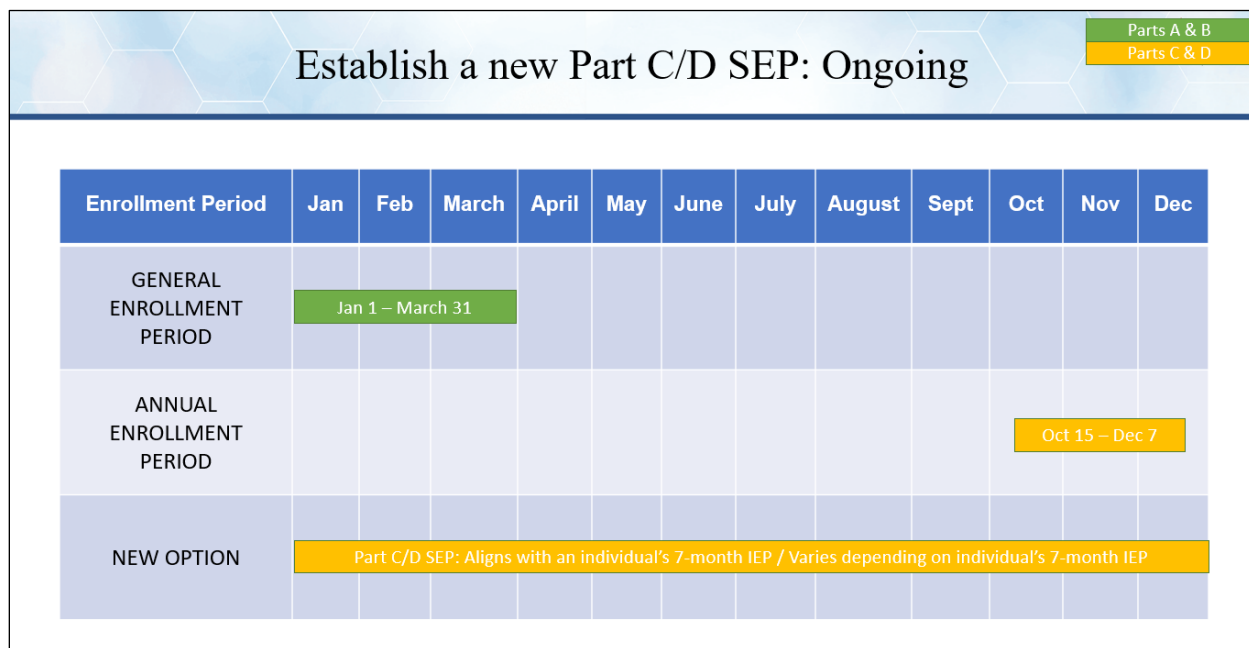


Figure 5 – Establish a new Part C/D SEP

In this option, we explored keeping the GEP from January 1st through March 31st and contemplated the possibility of establishing a new Parts C and D SEP in the future that would provide for seamless enrollment for individuals enrolling in FFS and choosing to enroll in Part C and/or Part D. The establishment of an SEP would maintain the goal of coverage continuity for beneficiaries. However, this introduction of a new SEP could further confuse individuals.

This option would require a statutory change. If pursued further, this option would require, in addition to the statutory change, an implementation period to account for notice and comment rulemaking and operational implementation.

Recommendation

To the extent that any of the options above would require a statutory or administrative change, please note that this report does not necessarily endorse such a change. Legislative recommendations endorsed by the Administration would be contained in the President's budget.