

# *Medicare and the Health Insurance Marketplace*



The health insurance Marketplace is a way for individuals, families, and employees of small businesses to get health coverage. But it is generally not a place for someone with Medicare to look for health care coverage.

## **If I have Medicare do I need to do anything?**

No. If you have Medicare, you don't have to do anything related to the Marketplace.

## **Can I get a Marketplace plan in addition to Medicare?**

No. It's against the law for someone who knows that you have Medicare to sell you a Marketplace plan. The Marketplace plans are not designed to coordinate with Medicare.

## **Can I buy a Marketplace plan before I become eligible for Medicare?**

Yes. You may use the Marketplace to buy a plan that meets your needs before you are eligible for Medicare. Depending on your income and family size, you may be able to get lower costs on your monthly premiums and lower co-payments and deductibles. Call IA Navigator at 1-877-474-6284 or 515-978-9570 for assistance.

## **What if I become eligible for Medicare after I join a Marketplace plan?**

In most cases it's to your advantage to sign up for Medicare when you're first eligible rather than staying with a Marketplace plan because:

- You may have Medicare and the Marketplace coverage only if you had your Marketplace coverage before you had Medicare but your policy may pay little or no benefits once you are enrolled in Medicare. Check your policy.
- Once your Medicare Part A starts, you won't be able to get lower costs for a Marketplace plan based on your income. The premium tax credit and reduced cost-sharing will end. This is also true for those who are eligible for premium-free Part A and don't enroll in Medicare.
- If you enroll in Medicare after your Initial Enrollment Period, you may have to pay a late enrollment penalty for as long as you have Medicare.
- Prescription drug coverage in a Marketplace plan is not required to be as good as Medicare's Part D coverage. If you ever want to enroll in a Medicare drug plan later you could be subject to a penalty.
- You may lose a one-time opportunity to get a guaranteed right to buy a Medicare Supplement. This opportunity begins on the first day of the month in which you're 65 or older and enrolled in Part B.

When you are ready to go on Medicare, contact SHIIP and we can help you with your Medicare choices. The timeline for canceling a Marketplace plan varies by plan member ranging from 1-14 days before you want the plan canceled. Call 1-800-318-2596 to verify the timeline that applies to you and to cancel your plan.

### **Can I choose Marketplace coverage instead of Medicare?**

Generally, no. But, there are a few situations where you can choose a Marketplace plan instead of Medicare and you would be eligible for the tax credit and cost-sharing reductions:

- You can choose Marketplace coverage if you're eligible for Medicare but haven't enrolled in it because you would have to pay a premium for Part A and Part B, or
- You haven't enrolled in Medicare because you're not collecting Social Security benefits, or
- If you're paying a premium for Part A, you can drop your Part A and Part B coverage and get a Marketplace plan instead.

Before making this choice, there are three important points to consider:

- If you enroll in Medicare after your Initial Enrollment Period ends, you may have to pay a late enrollment penalty for as long as you have Medicare.
- Generally you can enroll in Medicare only during the Medicare General Enrollment Period from January 1 to March 31. Your coverage won't begin until July of that year.
- When you file your tax return you may have to pay back all or some of the advanced payments of the premium tax credit paid for the months you had the Marketplace and were also eligible for or enrolled in Medicare.

### **Are Marketplace options different if I am on Medicare due to a disability?**

If you are entitled to Social Security Disability benefits, you qualify for Medicare after a 24-month waiting period. During this waiting period, you can apply for coverage in the Marketplace. Your Medicare coverage is automatically effective on the 25<sup>th</sup> month of receiving Social Security Disability benefits. If you stay with your Marketplace plan once your Part A coverage starts any premium tax credits and reduced cost-sharing will stop. You may also have a Part B and Part D penalty if you delay enrollment

### **If I have Medicare, can I get health coverage from an employer through the Small Business Health Options Program (SHOP)?**

You can delay enrollment in Medicare Part B without penalty if you're getting health coverage from an employer through the SHOP Marketplace based on you or your spouse's current employment. Contact SHIIP for more information.

### **If I'm on Medicare, can I get a dental plan through the Marketplace?**

In Iowa you cannot buy a stand-alone dental plan through the Marketplace.