

Supplementing Medicare

Since January 1, 1992, insurance companies selling Medicare supplement policies in Oklahoma were limited to selling 10 “Standardized Plans.” In 2006 two additional supplemental plans were offered. The plans are identified by the letters A through L. A company does not have to sell all 10 plans, but every Medicare supplement company must sell “Plan A” (basic benefits only).

Open Enrollment

Every new Medicare recipient who is age 65 or older has a guaranteed right to buy a Medicare supplement policy during “open enrollment.” A company cannot reject you for any policy it sells, and it cannot charge you more than anyone else your age.

Your open enrollment period starts when you are age 65 or older and enroll in Medicare Part B for the first time. It ends 6 months later. If you apply for a policy after the open enrollment period, some companies may refuse coverage because of health reasons. You will be eligible for an open enrollment period when you become 65 if you had Medicare Part B coverage before age 65 (e.g., Medicare disability).

Even though you are guaranteed a policy during open enrollment, pre-existing conditions may not be covered for up to six months after the effective date but may be waived during open enrollment with some companies. However, companies cannot impose a pre-existing waiting period during the initial open enrollment period if you had previous eligible health

insurance coverage and you purchase your Medigap policy within 63 days. Also a new pre-existing condition waiting period is not allowed when you replace one Medicare supplement with a similar one and you had the first policy at least six months.

Medicare Disability and Open Enrollment

Some individuals become eligible for Medicare because of a disability rather than by turning 65. The federal government did not include this group in the requirements which mandate an open enrollment period. However, effective July 1, 1994, Oklahoma requires an open enrollment for Medicare disability enrollees. Each company must offer at least one of the 10 standardized plans for Medicare disability beneficiaries. The open enrollment period begins the date the person is first eligible for Medicare Part B (when the coverage takes effect—or the date on the award letter from Social Security) and ends six months later.

This rule helps bridge the gap for many of Oklahoma’s disabled Medicare beneficiaries. Oklahoma was one of the first 3 states to successfully undertake the challenge of this reform.

October 31, 1994, changes to federal law permitted individuals who qualified for Medicare under age 65 another open enrollment at age 65. This allows disabled Medicare beneficiaries a new opportunity to obtain Medicare Supplemental coverage at age 65 for a potentially less expensive premium.



Beginning on page 22 is a special comparison table for Medicare Disability Open Enrollment plans.

If you are disabled and your six-month open enrollment has passed, or you were enrolled in Medicare Disability before January 1, 1994, refer to page 34 for further information. These companies are allowed to “underwrite” the applicants, but they will consider writing supplemental coverage for anyone on Medicare by reason of disability.