

April 2021 Medicare Minute: Medicare and Changes in Residence Questions and Answers

Moving within the United States

Question: Can you clarify the timing for the Special Enrollment Period (SEP) when you move? How does your plan know that you have moved?

Answer: It is your responsibility to let your plan (and Medicare and Social Security) know you are moving. If you notify your Medicare Advantage Plan or Part D plan of a permanent move in advance, you have an SEP to switch to another Medicare Advantage or Part D plan beginning as early as the month before your move and lasting up to two months after the move. If you notify your Medicare Advantage or Part D plan of a permanent move after you move, you have an SEP to switch to another private health or drug plan, beginning the month you tell your plan, plus two more full months thereafter.

If you did not notify your private health or drug plan about a move:

- and your Medicare Part D plan learns from CMS or the post office that you moved over twelve months ago, the plan should disenroll you twelve months after your move. Your SEP to switch to another Part D plan begins at the beginning of the twelfth month and continues through the end of the fourteenth month after your move.
- and your Medicare Advantage Plan learns from CMS or the post office that you moved over six months ago, the plan should disenroll you twelve months after your move. Your SEP to switch to another Medicare Advantage Plan begins at the beginning of the sixth month and continues through the end of the eighth month after your move.

Question: What type of move triggers an SEP?

Answer: You will have an SEP if you move out of your Medicare Advantage Plan's or Part D plan's service area **or** if you move to an area covered by your plan but there are more plans available to you in your new coverage area.

Question: If you do not notify the Social Security Administration (SSA) when you move until you've been in your new residence more than a month, does the SEP go by when you moved or by when you notified SSA of the address change?

Answer: If you notify your Medicare Advantage Plan in advance, the SEP to switch can begin as early as the month before your move. The SEP is not triggered by alerting Social Security of a move.

Question: What do you mean by “permanent address?”

Answer: Your permanent address is your primary address. The same address may be present on your state driver’s license, state ID, or would be used when you are filing taxes.

Question: What if I live in three different states?

Answer: if you live in multiple states, your primary residence is the place where you file taxes.

Question: If you are in a Medicare Advantage Plan that is not offered where you are moving, do you have to choose another Medicare Advantage Plan? If you switch from Medicare Advantage to Original Medicare, do you get a chance to pick up Medigap coverage?

Answer: If you move out of your current Medicare Advantage Plan’s service area, you are given an SEP to enroll in a new Medicare Advantage Plan or Original Medicare. You aren’t given a chance to enroll in Medigap coverage on the bases of leaving your current Medicare Advantage Plan’s service area. However, in some states Medigap insurers are allowed to sell you a Medigap policy outside of protected enrollment periods. Contact your [State Health Insurance Assistance Program \(SHIP\)](#) or the state department of insurance to learn more about Medigap enrollment within your state, as different states have different enrollment rules. (Usually, you aren’t given an opportunity to enroll in a Medigap based on losing Medicare Advantage coverage unless you’re in your 12-month trial period.)

Question: If I have a Medigap plan in one state and I move to another state that does not offer that plan (say I’m in a Plan C Medigap but my new state may have carriers offering Plan A) can I keep my old carrier from my other state?

Answer: If you have a Medigap and are moving, you do not need to change your Medigap plan. Contact your Medigap plan to see if the cost of your Medigap will change. If you are moving to a different state, it is important to know that some states may have different enrollment rules, which may impact your ability to change your Medigap plan after you move. To learn about Medigaps in a certain state, contact that state’s State Health Insurance Assistance Program (SHIP) by visiting www.shiptacenter.org.

Question: If you have Extra Help and you move, will you need to change your Part D plan?

Answer: Yes. If you have Extra Help and you move to a different state, you will need to change your Part D plan. You may also need to reapply for Extra Help, depending on whether or not you received Extra help through Medicaid.

Question: If someone is enrolled into a MSP, then lose it because of income or a move, can they get into a supplemental plan or do they have to wait for Open Enrollment?

Answer: Medigap enrollment differs from state to state. However, I don't believe there is any federal guaranteed issue right to enroll in a Medigap because you lost the MSP. Contact the State Health Insurance Assistance Program (SHIP) for the state where the client lives to learn more about state-specific Medigap enrollment rules. Visit www.shiptacenter.org for SHIP contact information.

Question: What if your Medigap company doesn't operate or offer the specific Medigap level in the state you move to.

Answer: If you are moving to a state that has a different Medigap system, you may need to enroll in a new Medigap. Contact the [State Health Insurance Assistance Program \(SHIP\)](#) for the state to which you are moving to learn more about Medigap enrollment.

Question: Isn't there a rule that you can put your Medigap "on hold" for two years? I recall that rule if you become eligible for Medicaid.

Answer: The ability to suspend a Medigap for two years only applies to people who become eligible for Medicaid. Contact your State Health Insurance Assistance Program (SHIP) to learn if there are any state-specific rules about suspending your Medigap. Visit www.shiptacenter.org to find your SHIP.

Moving and living abroad

Question: I pay a premium for Medicare Part A. If I move abroad, would I be required to continue paying that premium? Is there a penalty for non-payment?

Answer: It is advisable to continue paying your premium even while abroad, because if you do not pay your Part A premium, you will be disenrolled. If you are not enrolled in premium Part A and you later enroll, there is a penalty. It is 10% of the Part A premium (added to your premium) and you owe it for twice the number of years you were without Part A. You can learn more here on www.medicare.gov.

Question: Should I keep Part A but let Social Security know of my overseas address?

Answer: Yes. You can keep Part A premium-free. You should also let Social Security know of a move abroad for the purposes of Social Security retirement benefit reimbursement, etc.

Question: One of my clients has Aetna which covers her in Costa Rica. How does that work with A and B? Her Aetna is a Medicare Advantage Plan. She is only there in the winter. What about Part B? She lives in NY.

Answer: Someone who has a Medicare Advantage Plan still has Medicare Parts A and B, they are just administered through private insurance company rather than through the federal government. My guess is that she is paying the Part B premium, since everyone with Medicare owes that regardless of whether they have Original Medicare or a Medicare Advantage Plan. We cannot answer specific questions about Medicare Advantage Plans, since each one is different. If your client has questions about how her plan works abroad, she should contact the plan.

Question: Does the Part B late enrollment penalty (LEP) still apply if an individual purchased health insurance abroad?

Answer: You can avoid a Part B LEP if you or your spouse currently work outside the U.S. for a company that provides you with health insurance, or you or your spouse work in a country with a national health system. The key is that you are both covered by health insurance abroad and you are working. You will qualify for a Special Enrollment Period (SEP) to enroll in Part B without penalty when you return to the U.S. This SEP begins at any time while you (or your spouse) are still working and for up to eight months after you lose your health coverage or stop working.

Question: Can you elaborate on the national health system?

Answer: Many countries have national health systems. There's not much that we can say specifically about any of them, as our expertise is in Medicare. If you're interested in the health system in another country, it would be best to speak to a different authority on the matter.

Question: What about Part D enrollment if you live abroad?

Answer: When you move abroad, you should disenroll from and stop paying premiums for your Medicare Advantage Plan or stand-alone prescription drug plan (Part D). You are not eligible for these plans because you live outside the plan service area, and your coverage must end if you live outside of the United States. It is your responsibility to notify your plan that you are moving. You can learn more about Part D and moving or living abroad on [Medicare Interactive](#).

Question: What if neither partner is working abroad but have retired abroad? Does the SEP still apply?

Answer: The Part B Special Enrollment Period only applies if you or your spouse is working.

Question: Someone lives in the U.S. and has been working for 13 years. They are collecting Social Security and have Part A but not B. They move to Canada for 33 years and are on the Canadian health program. The person is moving back to the U.S. in November and wants to get Part B. Is this a Special Enrollment Period?

Answer: If the person or their spouse was also working in Canada, then they may qualify for the [Part B Special Enrollment Period](#) to enroll in Part B. If not, they would have to use the [General Enrollment Period](#).

Question: Why do most people owe Part B premium? I would think that most people qualify for premium-free Part A for working at least 10 years.

Answer: You are correct that you're eligible for premium-free Part A based on having 10 years of work history. However, that work history doesn't apply to the Part B premium. Everyone has to pay it (except some low-income beneficiaries).

Question: Many Medigaps will pay for emergency services during the first 60 days you are abroad.

Answer: Yes, Medigaps may pay for some emergency care while abroad during the first 60 days. However, that is a very limited coverage, especially considering you must continue to pay a Part B and Medigap premium.

Question: When I see a \$348+/- billing from United Healthcare—does that continue throughout the year or stop after a certain level has been 'paid in'?

Answer: If \$348 is the premium you pay to UnitedHealthCare, then you will owe that amount for the entire year. Premiums are paid monthly and sometimes quarterly and you must pay them for the entire year to maintain health coverage. Contact UnitedHealthCare with specific questions about their bills.

Question: My Premium Part A is payable by me. If I move abroad would that be payable too. is there a penalty for non-payment?

Answer: Yes, there is a penalty for not being enrolled in premium Part A. It is 10% of the Part A premium (added to your premium) and you owe it for twice the number of years you were without Part A. You can learn more here on www.medicare.gov.

Question: What about those of us who will live out of U.S? What should we tell Medicare about change in residency?

Answer: You should call Medicare (1-800-MEDICARE) and Social Security (800-772-1213) to make sure your address is updated.

Question: Should I ever suspend Medicare when living abroad for several months?

Answer: It depends on if you intend to come back to the U.S. and how frequently. Here is [information on Medicare Interactive](#) about enrollment choices when you are moving abroad.

Medicare and incarceration

Question: Who pays the Part B premiums if you're incarcerated?

Answer: You are responsible for paying your own Part B premium if you are incarcerated. Since incarcerated individuals have their Social Security benefits suspended, you would need to pay the Part B premium by setting up direct payment with Medicare. You can do this by calling 1-800-MEDICARE and you should do this within 30 days of your conviction.

Question: If someone turns 65 while incarcerated, what happens with enrollment?

Answer: If someone turns 65 while incarcerated, they should enroll in Medicare when they turn 65. Here is more information about this topic on [Medicare Interactive](#).

Question: So when coming out of incarceration and ineligible for MSP, how does one re-enroll with immediate coverage and no late enrollment penalty?

Answer: Unfortunately, there is no SEP for people who are no longer incarcerated to enroll in Medicare. These individuals, if they do not qualify for a Medicare Savings Program, would have to use the General Enrollment Period to enroll in Medicare and would likely have a late enrollment penalty.

Question: If a beneficiary is on Medi-Cal when incarcerated, does the State continue to pay Part B premiums.

Answer: No.

Question: Will MSP keep on paying for Part B premium while you are incarcerated?

Answer: No. The MSP does not pay for the Part B premium when you are incarcerated.

Question: Is a Medicare Savings Program (MSP) the same as Extra Help?

Answer: No. Medicare Savings Programs help pay your Medicare Part B premium. Extra Help assists with drug costs. When you enroll in an MSP you are automatically enrolled in Extra Help. Extra Help income limits are a little higher than the limits for the MSP, so it's possible you can qualify for Extra Help but not for an MSP. [Here is more information about the MSP](#) and [here is more information about Extra Help](#).