Understanding & Applying SEPs

Special Enrollment Periods ("SEPs") play a critical role in helping Medicare beneficiaries obtain the coverage they need when certain life events occur outside of standard enrollment periods. As agents, it is critical to understand not only the SEP being used, but also the causation, or the specific event, that created SEP eligibility.

Understanding SEPs Allows Agents to:

- Identify enrollment opportunities that may be available to beneficiaries.
- Provide accurate and compliant enrollment guidance.
- Prevent delays or denials caused by incorrect SEP selections.
- Ensure beneficiaries are enrolled under the appropriate election period.
- Reduce member complaints and enrollment disputes.
- Maintain compliance with CMS and carrier requirements.

Disaster (DST)

The DST SEP can only be used when there is a government entity-declared disaster or other emergency, such as a hurricane, flood, wildfire, or tornado. Individuals affected by the disaster may enroll,

disenroll, or switch Medicare health or prescription drug plans, ONLY if the disaster caused them to miss their regular enrollment period.

Individuals are eligible for DST SEP if they:

- Reside or resided, at the start of the SEP eligibility period, in an area for which a federal, state, or local government entity has declared an emergency or major disaster; OR, do not reside in an affected area, but rely on help making healthcare decisions from one or more individuals who reside in an affected area; AND
- Were eligible for another election period at the time of the SEP eligibility period; AND
- Did not make an election during that other valid election period due to the disaster or emergency.

The DST SEP should NOT be used as a marketing tool to promote MA or PDP sales. Agents should only be aware that the DST SEP is available in case they are approached by someone who believes they have missed an election period due to a weather-related incident or other emergency situation.

Example: A beneficiary missed AEP because they were personally impacted by flooding and evacuation during a hurricane, for which a state of emergency was declared.

Accessible Communication (ACC)

The ACC SEP is used when a beneficiary requests decision-making enrollment materials in an accessible format during another election period and does not receive them within the required timeframe. This SEP provides additional time for the beneficiary to make an enrollment election.

This is not a “stand-alone” election. To use the ACC SEP, the beneficiary must have:

- Been eligible for another election period prior to using this SEP; AND
- Requested the materials in accessible format DURING that previous election period.

Accessible format refers to presenting healthcare information in an accommodating way for individuals with disabilities, including options like large print, braille, audio recordings, or digital text that can be read by screen readers.

Example: A beneficiary is eligible to make a Medicare enrollment election and requests plan information in large print. The materials are not provided in the requested format before their enrollment period expires. Once the materials are received, the beneficiary may use the ACC SEP to make the enrollment election they otherwise would have made during the original election period.

Pharmaceutical Assistance Program (PAP)

The PAP SEP begins when an individual enrolled in a State Pharmaceutical Assistance Program (SPAP) loses eligibility. The PAP SEP will extend for two (2) calendar months after the month of loss of eligibility or notification of the loss, whichever is later.

The individual MUST be a member of SPAP. The PAP SEP election does not apply to an individual just because they reside in a state with a SPAP.

Example: A beneficiary is enrolled in a qualifying SPAP and loses that eligibility. After such qualifying loss of benefits, they would become eligible to use the PAP SEP.

Medicaid (MCD)

The MCD SEP allows individuals to enroll in or disenroll from a Part D plan, one time, if the individual gains, loses, or has a change in their Medicaid or subsidy-level status or LIS eligibility. This includes if the individual:

- Becomes eligible for any type of assistance from the Title XIX program and individuals who qualify for LIS (but who do not receive Medicaid benefits);
- Loses eligibility for any of the types of assistance described above; or
- Has a change in the level of assistance the individual receives (e.g., stops receiving Medicaid benefits but still qualifies for LIS;

has a change in cost-sharing; or becomes eligible for additional Medicaid benefits).

An individual may make an election using this SEP within three months after any of the changes noted above or notification of such a change, whichever is later.

Example: An individual newly qualifies as needing nursing home care and thus becomes eligible for certain Medicaid long term supports and services or becomes eligible for full Medicaid after having previously been eligible for Medicaid coverage of Medicare premiums or cost sharing.

Move (MOV)

The MOV SEP is used when a beneficiary permanently moves outside the service area, gains new plan options because of a move, or returns to the U.S. after living abroad.

Example: A beneficiary moves to a county where their current Medicare plan is not available.

Loss of Employer Coverage (LEC)

The LEC SEP applies when a beneficiary loses employer, union, or COBRA coverage due to retirement or other circumstances.

Example: A beneficiary retires and loses employer-sponsored health coverage.

Special Needs Plan (SNP)

The SNP SEP is used when a beneficiary gains or loses eligibility for a C-SNP, D-SNP, or I-SNP plan.

Example: A beneficiary develops a qualifying chronic condition and becomes eligible for a C-SNP plan.

Institutional (INST)

The INST SEP applies when a beneficiary is admitted to or discharged from a nursing home, skilled nursing facility, or long-term care facility.

Example: A beneficiary enters a nursing facility and qualifies for an INST SEP.

Before Submitting an Enrollment Application with an SEP Code:

- Verify the beneficiary meets all SEP eligibility requirements and confirm causation between the SEP and the enrollment.
- Document the qualifying event, applicable dates, and all information provided by the beneficiary and retain these records.
- Use the correct SEP election code based on the qualifying event.
- Confirm the SEP used for the enrollment with the beneficiary so the beneficiary understands the SEP used and the requirements of that SEP for the enrollment.
- Consult your manager or Compliance Department when SEP eligibility cannot be clearly verified.

Avoid These Common Mistakes:

- Do not guess about SEP eligibility.
- Do not assume a beneficiary qualifies without verification with the consumer and documentation related to the specific SEP being used.
- Do not use an SEP to market MA or PDP plans.
- Do not submit an enrollment without proper documentation and support from the beneficiary.
- Do not misuse SEP eligibility.

Key Reminders

- Follow CMS guidance and carrier-specific rules.
- Verify SEP eligibility with a clearly identified, documented, and supported qualifying event.
- Remember, misuse of SEP codes may result in corrective or disciplinary action.

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