What is the Medigap â??Birthday Ruleâ?• and Which States Have It?

Description

Medigap plans are private insurance plans that provide standardized coverage to fill in the â??gapsâ?• in original Medicare Parts A and B. When you first turn 65 or start on Medicare Part B, you have an initial â??open enrollmentâ?• period during which you can select any plan from any insurer offering those plans in your state (When is Open Enrollment for Medigap?). After that initial period, you typically have to â??qualify medicallyâ?• in order to change plans or companies. However, in recent years, more and more states are adding some version of a **â??birthday ruleâ?•** â?? this rule typically gives Medicare beneficiaries the ability to change plans or companies without having to go through medical underwriting.

The advantage of utilizing such a â??birthday ruleâ?• open enrollment is that you can change to a lower premium plan that would provide you with the same medical coverage. Your Medigap agent should be contacting you annually if you live in a birthday rule state, if they are doing their job correctly, to ensure you have the best option. Often, once you have been on a Medigap plan for a few years, the price has gone up a few times and there are potentially less expensive/same coverage options.

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Birthday rules can affect your ability to switch Medigap plans later. So, what states offer a â??birthday ruleâ?• open enrollment period and how does those periods work? Weâ??ve listed out the states that offer this provision, as of the date of this article, with some details about how it works in each state (varies by state).

California Birthday Rule

California was one of the original states to enact a â??birthday ruleâ?• for Medigap open enrollment. In CA, the birthday open enrollment period lasts for 90 days, beginning 30 days before your birthday and ending 60 days after your birthday. During this time period, you can elect a new Medigap policy with equal or lesser benefits. The coverage will not be made effective until after your birthday (usually the 1st day of the following month) or beyond 60 days from the application date.

Idaho Birthday Rule

Idaho is one of the newer states offering the birthday rule to change Medigap policies. In ID, there is an annual 63 day open enrollment window during which you can replace your Medigap policy with a policy of equal or lesser benefits. Like CA, coverage will not be made effective until after your birthday or beyond 60 days from the application date.

Illinois Birthday Rule

Illinois is also a newer state offering the birthday rule. In IL, the birthday open enrollment period lasts for 45 days beginning on your birthday. During this time, you may replace your Medigap plan with a plan of equal or lesser benefits. There are two unique aspects of the IL birthday rule. First, you must be between the ages of 65 and 75 in order to make a change in IL using this birthday rule. Second, you must be changing to a plan offered through your current insurance company (i.e. an equal or lesser plan offered through a different subsidiary company of your current insurance company).

Kentucky Birthday Rule

The Kentucky birthday rule is an annual open enrollment period that lasts for 60 days. It begins on an individualâ??s birthday. During this time period, you can change your plan to a â??likeâ?• plan with a different insurance company. For example, if you have Plan G with company X, you can switch to Plan G with company Y. The coverage would begin on or after the individualâ??s birthday (but no more than 60 days from their birthday).

Louisiana Birthday Rule

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Louisianaâ??s birthday rule for Medigap, which just took effect in 2022, is an annual open enrollment period lasting 63 days and beginning on your birthday. To use this period, you must select a plan of equal or lesser benefits. Like the birthday period in IL, you must also select a plan through the same insurance company as your current Medigap plan. Coverage cannot be made effective prior to your birthday or beyond 60 days from the application date.

Maryland Birthday Rule

Maryland is one of the most recent states to pass birthday rule legislation for Medigap. The Maryland birthday rule for Medicare Supplement enrollees took effect on July 1, 2023. You must be in an active Medigap plan (not any other type of Medicare plan) at the time of eligibility to use this new rule. The Maryland rule specifies that you can switch to a Medigap plan with any carrier offering equal or lesser coverage. The time period for this eligibility period begins with your birthday each year and lasts up to 30 days after your birthday. During this birthday rule period, changes you make to your Medigap coverage are not subject to underwriting or health questions.

Missouri Birthday Rule

The Missouri birthday rule allows you to terminate your existing Medigap policy and select the same plan from a different company within 30 days of your policy anniversary date each year. Using this rule, you have up to 63 days from the termination date of your current plan to select a â??likeâ?• plan from a new company and avoid going through medical underwriting.

Nevada Birthday Rule

Nevadaâ??s annual open enrollment period lasts for 60 days and begins on the 1st day of your birthday month. During this time, you can replace your Medigap policy with any policy offering equal or

lesser benefits without undergoing medical underwriting. Coverage cannot be made effective prior to your birthday or beyond 60 days from your application date. Get quotes on NV Medigap plans here.

Oklahoma Birthday Rule

The Oklahoma birthday rule lasts for 60 days and begins on your birthday. You are required to be currently enrolled in a Medicare Supplement with no gap in coverage greater than 90 days since your initial enrollment. You can replace your policy with a new policy with equal or lesser benefits. To use this birthday rule, you must both prove your current enrollment and have a statement from your insurer stating that you have not had a gap in coverage of more than 90 days since the effective date of coverage. Applications using the Oklahoma birthday rule can be submitted up to 30 days before your birthday, but coverage will not be made effective until your birthday or beyond 60 days from the application date.

Oregon Birthday Rule

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Oregonâ??s annual open enrollment lasts 60 days, beginning 30 days before your birthday and ending 30 days after your birthday. During this time, you can replace your policy with a policy of equal or lesser benefits. Coverage cannot be made effective prior to your birthday or beyond 60 days after your application date.

Washington Open Enrollment Period

Washingtonâ??s open enrollment period is unique in that it is not tied to your birthday. Using WAâ??s open enrollment period, you can switch any time of the year to a â??likeâ?• plan without underwriting or providing medical information. Also, with most plans, including B, C, D, E, F, G, M, or N, you can switch to any of those plans with a different company, regardless of whether it is higher or lower in benefits.

States with Year-Round Open Enrollment for Medigap

In addition to the states that have specific, annual open enrollment periods, there are a few states that have year-round open enrollment periods for people on Medigap plans.

As of the time of this article, there are three states that offer this: Connecticut, New York, and Vermont.

Other Considerations and Factors

Remember that you can change Medigap plans in any state at any time. The end-of-the-year annual election period (AEP), which many people refer to as Medicare open enrollment does not pertain to Medigap policies. However, if you are in one of the states listed above and you wish to change your plan outside of the state-specific periods, you will likely have to go through medical underwriting and be â??approvedâ?• to change plans.

These state guidelines can change over time. It is always advisable to check with your specific state or a licensed independent broker who can advise you on your options and provide you with a list of the Medigap options available to you.

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1. Medigap Plans
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