Whereas, the Federal Medicare program has 4 parts A, B, C, and D, offering hospital, medical, and pharmacy benefits; and

Whereas, Part C, known as Medicare Advantage, has become popular for its offerings of zero premiums and additional benefits which are not available through traditional Medicare; and

Whereas, Medicare Advantage plans have various other limitations such as narrow networks, limited drug coverage, and numerous preauthorization requirements; and

Whereas, traditional Medicare often requires supplementation through Medigap or Supplemental Insurance policies to cover the remaining 20% of approved expenses not covered by Medicare; and

Whereas, beneficiaries who switch from Medicare Advantage to traditional Medicare face significant barriers in obtaining Medigap or Supplemental Insurance, often finding themselves effectively locked into their Medicare Advantage plan even if it no longer meets their healthcare needs; and

Whereas, only four states—Connecticut, Massachusetts, New York, and Maine—offer "guaranteed issue" protections that allow access to Medigap or Supplemental Insurance policies without restrictions after the initial enrollment period for Medicare beneficiaries; therefore be it

RESOLVED, that our American Medical Association pursue all necessary legislative and administrative measures to ensure that Medicare beneficiaries have the freedom to switch back to Traditional Medicare and obtain Medigap insurance under federal "guaranteed issue" protections. (Directive to Take Action)

Fiscal Note: Moderate - between $5,000 - $10,000

Received: 4/26/2024

REFERENCES
RELEVANT AMA POLICY

H-285.913 Medicare Advantage Policies
Our AMA will:
1. pursue legislation requiring that any Medicare Advantage policy sold to a Medicare patient must include a seven-day waiting period that allows for cancellation without penalty;
2. pursue legislation to require that Medicare Advantage policies carry a separate distinct page, which the patient must sign, including the statement, "THIS COVERAGE IS NOT TRADITIONAL MEDICARE. YOU HAVE CHOSEN TO CANCEL YOUR TRADITIONAL MEDICARE COVERAGE; NOT ALL PHYSICIANS, HOSPITALS AND LABORATORIES ACCEPT THIS NEW MEDICARE ADVANTAGE POLICY AND YOU MAY PERMANENTLY LOSE THE ABILITY TO PURCHASE MEDIGAP SECONDARY INSURANCE" (or equivalent statement) and specifying the time period before they can resume their traditional Medicare coverage; and
3. petition the Centers for Medicare and Medicaid Services to implement the patient's signature page in a Medicare Advantage policy. [Res. 907, I-07; Reaffirmation A-08; Reaffirmed: CMS Rep. 01, A-18; Reaffirmation: I-18]