



# Cobra and Medicare - Guarantee Issue or NOT

by David Garcia, Co-Chair of CAHIP'S Medicare Committee

Here is an easy way to remember how this applies directly below.

**Medicare** –Part B, **Does NOT** view Cobra (including Cal-Cobra) as Creditable coverage

**Medicare Products** – Medicare Supplement, Medicare Advantage and Part D, **Does** View Cobra (including Cal-Cobra) as Employer Sponsored Coverage

**Example 1 – Employer Sponsored coverage ended 12/31/23 – employee has 8 months, through 8/31/24, to enroll in Part B of Medicare without penalty**

- The employee will use losing/leaving employer sponsored coverage to enroll in Medicare Part B
- Same employee above enrolled in Cobra because of a younger spouse or dependents
- Reaches out to you, 9/1/24 or later – does not have access to enroll in to Part B of Medicare until Medicare General Enrollment Period 1/1/25-3/31/25

- For a first of the following month effective date
- Why? Because Cobra is not creditable coverage for Part B

**Example 2 – An existing Cobra enrolled reaches out to you, however, while on Cobra, they already activated Part B of Medicare**

- Can apply for Medicare Supplement and Part D with any carrier when they decide to leave, creditable (for Part D purposes) Cobra/Cal-Cobra or Cobra/Cal-Cobra ends
- Either way doesn't matter
- Will be guarantee issue with All Medicare Supplement and Part D carriers
- The scenario above will also create a guarantee issue in to ANY carriers Medicare Advantage plan using Leaving/Losing Employer Sponsored coverage SEP