

# Medicare and the Marketplace

## Guide for Beneficiaries Changing from the Marketplace to Medicare

If you have a Marketplace plan, you can keep it until your Medicare coverage starts. Then, you can cancel the Marketplace plan without penalty.

If you like, you can keep your Marketplace plan too. But if you've been getting premium tax credits or other savings on a plan you bought through the Marketplace, these savings will end once your Medicare Part A coverage starts. So you'd have to pay full price for the Marketplace plan.

### When you become eligible for Medicare

Let's assume you have a Marketplace plan and are turning 65 sometime this year.

Once you're eligible for Medicare, you'll have an initial enrollment period to sign up for Medicare. For most people, the initial enrollment period starts 3 months before their 65th birthday and ends 3 months after their 65th birthday.

In most cases it's to your advantage to sign up for Medicare when you're first eligible because:

- Once you become eligible for Medicare you won't be able to keep any [premium tax credits or other savings](#) for a Marketplace plan based on your income. You'll have to pay full price for the Marketplace plan.
- If you enroll in Medicare after your initial enrollment period ends, you may have to pay a late enrollment penalty for as long as you have Medicare. In addition, you can enroll in Medicare Part B (and Part A if you have to pay a premium for it) **only** during the Medicare general enrollment period (from January 1 to March 31 each year). Coverage doesn't start until July of that year. This may create a gap in your coverage.

If you want coverage to supplement Medicare, you can get [Medicare supplement \(Medigap\) insurance](#). You **cannot** supplement Medicare with a Marketplace plan. It's against the law for someone who knows that you have Medicare to sell you a Marketplace policy. This is true even if you have only Medicare Part A or only Part B.

For prescription drug coverage, you can buy a Medicare [Part D drug plan](#).

You can learn about other Medicare options, like [Medicare Advantage Plans](#).

### Canceling your Marketplace plan

To cancel your plan online, follow the instructions that best describe your situation:

- **I'm the only member of my household enrolled on my Marketplace plan.** You'll simply terminate the whole application. Learn how to [cancel your Marketplace plan](#).
- **My spouse and I are both enrolled in the same Marketplace plan, but only my spouse needs to cancel due to getting Medicare.** You'll keep the Marketplace coverage for yourself and end Marketplace coverage only for your spouse. Learn how to [remove certain household members from a Marketplace plan](#).

Be sure not to cancel your Marketplace plan before your Medicare coverage begins. Otherwise, you may have a gap in coverage.