

Article - Insurance

[Previous][Next]

§15–909.

(a) This section does not extend the number of days of hospitalization offered under § 15–906(a) of this subtitle to the extent those days of hospitalization have been used under the original Medicare supplement policy.

(b) (1) If an application for a Medicare supplement policy or certificate is submitted during the 6–month period beginning with the first month in which an individual who is at least 65 years old first enrolls for benefits under Medicare Part B, a carrier:

(i) may not deny or condition the issuance or effectiveness of the Medicare supplement policy or certificate or discriminate in the pricing of the Medicare supplement policy or certificate because of the health status, claims experience, receipt of health care, or medical condition of the applicant; or

(ii) may not deny, reduce, or condition coverage or apply an increased premium rating to an applicant for a Medicare supplement policy because of the health status, claims experience, or medical condition of the applicant or the use of medical care by the applicant.

(2) Notwithstanding paragraph (1)(ii) of this subsection, a carrier may include in a Medicare supplement policy a provision that complies with subsection (d) of this section.

(3) (i) A carrier shall make available Medicare supplement policy plans A and C to an individual who is under the age of 65 years but is eligible for Medicare due to a disability, if an application for a Medicare supplement policy or certificate is submitted:

1. during the 6–month period following the applicant’s enrollment in Part B of Medicare; or

2. for an individual terminated from the Maryland Health Insurance Plan as a result of enrollment in Part B of Medicare, during the 6–month period after the individual’s termination.

(ii) For a Medicare supplement policy plan A or C required to be made available under subparagraph (i) of this paragraph, a carrier:

1. may not deny or condition the issuance or effectiveness of a Medicare supplement policy plan A or C because of the health status, claims experience, receipt of health care, or medical condition of the applicant; or

2. may not deny, reduce, or condition coverage to the applicant

for a Medicare supplement policy plan A or C because of the health status, claims experience, or medical condition of the applicant or the use of medical care by the applicant.

(iii) For a Medicare supplement policy plan A required to be made available under subparagraph (i) of this paragraph, a carrier may not charge individuals who are under the age of 65 years, but are eligible for Medicare due to a disability, a rate higher than the average of the premiums paid by all policyholders age 65 and older in the State who are covered under that plan A policy form.

(4) A carrier may elect to offer Medicare supplement policy plans to individuals who are under the age of 65 years, but eligible for Medicare due to a disability, in addition to the Medicare supplement policy plans A and C that are required to be offered under paragraph (3)(i) of this subsection.

(5) Nothing in paragraph (3) of this subsection may be construed to require a carrier to offer a Medicare supplement policy plan to individuals who are under the age of 65 years, but are eligible for Medicare due to a disability, if the plan is not offered to individuals who are eligible for Medicare due to age.

(c) Regardless of the applicant's age, each Medicare supplement policy or applicable certificate that a carrier currently has available shall be made available to each applicant who qualifies under subsection (b) of this section.

(d) (1) Notwithstanding any other provision of law, a Medicare supplement policy or certificate may not exclude or limit benefits for losses incurred more than 6 months after the effective date of coverage because the losses involved a preexisting condition.

(2) A Medicare supplement policy or certificate may not define a preexisting condition more restrictively than a condition for which a physician gave medical advice or recommended or gave treatment within 6 months before the effective date of coverage.

(e) If a Medicare supplement policy or certificate replaces another Medicare supplement policy or certificate, the succeeding carrier shall waive the time periods applicable to preexisting conditions, waiting periods, elimination periods, and probationary periods in the new Medicare supplement policy or certificate for similar benefits to the extent the time was spent under the original Medicare supplement policy or certificate.

(f) A carrier may not cancel or nonrenew a Medicare supplement policy or certificate for any reason other than for nonpayment of premium or material misrepresentation.

(g) (1) (i) If the group policyholder terminates a group Medicare supplement policy without replacing the group Medicare supplement policy under paragraph (3) of this subsection, the carrier shall offer each certificate holder an

individual Medicare supplement policy.

(ii) The carrier shall offer the certificate holder at least the following:

1. an individual Medicare supplement policy that provides for continuation of the benefits contained in the group policy; or

2. an individual Medicare supplement policy that provides only the benefits that are required under § 15–906(a) of this subtitle.

(2) If membership in a group is terminated, the carrier:

(i) shall offer the certificate holder the conversion options under paragraph (1) of this subsection; or

(ii) at the option of the group policyholder, shall offer the certificate holder a continuation of coverage under the group Medicare supplement policy.

(3) (i) If a group Medicare supplement policy is replaced by another group Medicare supplement policy purchased by the same policyholder, the succeeding carrier shall offer coverage to each individual who was covered under the old group Medicare supplement policy on its date of termination.

(ii) Under the new group Medicare supplement policy, coverage may not be excluded for a preexisting condition that would have been covered under the group Medicare supplement policy being replaced.

[Previous][Next]