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MARIE GRANT
Commissioner

JOY Y. HATCHETTE
Deputy Commissioner

DAVID COONEY
Associate Commissioner
Life and Health

200 St. Paul Place, Suite 2700, Baltimore, Maryland 21202
Direct Dial: 410-468-2113
1-800-492-6116 TTY: 1-800-735-2258
www.insurance.maryland.gov

Date: January 29, 2026

Bill # / Title: House Bill 275 – Medicare Supplement Policies – Issuance Requirements

Committee: House Health Committee

Position: Support

The Maryland Insurance Administration (MIA) appreciates the opportunity to share its support for House Bill 275, which is a Departmental bill.

Many enrollees in Medicare or the Maryland Medical Assistance Program (Medicaid) often find themselves losing coverage through circumstances beyond their control. Medicare Supplement insurance, (also known as “Medigap”), helps cover Medicare Part A and Part B cost-sharing requirements, including deductibles, copayments, and coinsurance. Medicare Supplement policies, which are sold by private insurance companies, are a key source of supplemental coverage for people in traditional Medicare without employer-sponsored retiree benefits or Medicaid.

House Bill 275 allows Medicare beneficiaries the right to purchase Medicare Supplement insurance (Medigap) without medical underwriting in two new situations:

First, it guarantees access to Medicare Supplement plans without underwriting for Medicare beneficiaries who lose Medicaid more than six months after Medicare eligibility. Second, it addresses inconsistencies in Special Enrollment Period rules for older Marylanders who became eligible for Medicare before January 1, 2020, allowing them the same plan options as younger beneficiaries.

Regarding the first group, there is a need for a 63-day Special Enrollment Period (SEP) with guaranteed issue rights for Medicare beneficiaries to acquire a Medicare Supplement policy after losing Medical Assistance. During the Covid-19 Public Health Emergency, there was a temporary provision in state law allowing for a SEP in these circumstances, which has now expired.¹ This bill aims to ensure that individuals losing full Medicaid, or Medicaid Qualified Medicare

¹House Bill 536, Chapter 495 Acts of 2022 and Maryland Insurance Administration, Bulletin 20-36, *COVID-19 State of Emergency: Renewal/Reactivation of Emergency Powers* (September 4, 2020).

Beneficiary (QMB) or Specified Low-Income Medicare Beneficiaries (SLMB), have a viable option outside of the Medicare Advantage plans to cover the approximately 20% of their costs not paid by Medicare.

Regarding the second group, the SEP with a guaranteed issue right is also needed for older Marylanders who became eligible for Medicare before January 1, 2020, so that they have the same Medicare Supplement plan options under a SEP as are given to younger Medicare-eligible Marylanders. This inconsistency was created as a result of the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA). Medicare introduced two new Medicare Supplement plans, D and G. D mirrored C, and G mirrored F - the only difference being that, per MACRA, the new plans did not cover the Part B deductible. (Medicare Part B largely covers cost for doctors' visits; the deductible this year is \$283.)

Unfortunately, federal Medicare Special Enrollment Period rules for the Medicare Supplement do not allow those who qualified for Medicare before January 1, 2020 the ability to purchase a G or D plan without underwriting. Existing law permits most Medicare Supplement policyholders to switch to these plans without underwriting during their birthday month. Because of the changes to the law outlined above, older beneficiaries currently face a complicated two-step process to access these plans. House Bill 275 aims to simplify this process and protect their access to necessary coverage.

Overall, the bill closes guaranteed issue right gaps for people transitioning off of Medicaid, strengthens consumer protections during special enrollment periods, and ensures a simpler process to access Medigap coverage without medical underwriting - at minimal cost and risk impact to Medicare Supplement Plans.

For the reasons set forth above, the MIA urges a favorable committee report on House Bill 275 and thanks the committee for the opportunity to share its support.