



a supplement to reimbursements under Medicare for the hospital, medical, or surgical expenses of individuals eligible for Medicare.

Under federal law, if an individual becomes eligible for Part B benefits before age 65 because of a disability or permanent kidney failure, the individual may enroll in the Medigap policy of choice when the individual reaches age 65. During the first six months after an individual turns 65 and is enrolled in Part B, the individual can buy a Medigap policy regardless of whether the individual had enrolled in Part B prior to age 65. Several states, including Maryland, go beyond federal law and require at least a limited open enrollment for Part B beneficiaries under 65.

In Maryland, if an applicant is under the age of 65 but is eligible for Medicare due to a disability, a carrier must make available to the applicant both Medicare supplement policy Plan C and Plan I. An applicant may enroll at any time, from the date on which the applicant was first eligible until six months after the applicant turns 65.

**Background:** Medical supplement policies, also called Medigap policies, pay most, if not all, Medicare coinsurance amounts and may provide coverage for Medicare's deductibles. Carriers may only offer ten standardized plans, Plans A through J, so that consumers may easily compare prices and coverage levels. Some of the standard plans pay for services not covered by Medicare such as outpatient prescription drugs, preventive screening, and emergency medical care while traveling outside the United States.

Currently, there are few carriers in the market that offer a Medicare supplement policy Plan C, and only one carrier offers a Medicare supplement policy Plan I. Carriers have complained that the continuous open enrollment period encourages individuals to wait until they need medical care to purchase coverage. The bill's provisions attempt to make it more attractive to carriers to offer the Medicare supplement plans if the offerings are limited to the six-month period following the applicant's enrollment in Medicare Part B.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

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