

SENATE BILL 48

C3

7lr0070

(PRE-FILED)

By: **Chair, Finance Committee (By Request – Departmental – Maryland Insurance Administration)**

Requested: September 22, 2016

Introduced and read first time: January 11, 2017

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance – Medicare Supplement Policies for Dual Eligible Individuals**
3 **– Open Enrollment Period**

4 FOR the purpose of requiring certain health insurance carriers, under certain
5 circumstances, to make available during a certain time period certain Medicare
6 supplement policy plans to individuals who are under the age of 65 years but are
7 eligible for Medicare due to a disability; repealing an obsolete provision of law
8 relating to open enrollment in certain Medicare supplement policy plans for
9 individuals terminated from the Maryland Health Insurance Plan; and generally
10 relating to Medicare supplement policy enrollment for dual eligible individuals.

11 BY repealing and reenacting, with amendments,
12 Article – Insurance
13 Section 15–909(b)
14 Annotated Code of Maryland
15 (2011 Replacement Volume and 2016 Supplement)

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
17 That the Laws of Maryland read as follows:

18 **Article – Insurance**

19 15–909.

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

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

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

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

15 1. during the 6-month period following the applicant's
16 enrollment in Part B of Medicare; or

17 2. [for an individual terminated from the Maryland Health
18 Insurance Plan as a result of enrollment in Part B of Medicare, during the 6-month period
19 after the individual's termination] **IF THE APPLICANT IS NOTIFIED BY MEDICARE OF
20 THE APPLICANT'S RETROACTIVE ENROLLMENT IN MEDICARE, DURING THE
21 6-MONTH PERIOD FOLLOWING NOTIFICATION OF ENROLLMENT IN MEDICARE.**

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

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

27 2. may not deny, reduce, or condition coverage to the
28 applicant for a Medicare supplement policy plan A or C because of the health status, claims
29 experience, or medical condition of the applicant or the use of medical care by the applicant.

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

35 (4) A carrier may elect to offer Medicare supplement policy plans to
36 individuals who are under the age of 65 years, but eligible for Medicare due to a disability,

1 in addition to the Medicare supplement policy plans A and C that are required to be offered
2 under paragraph (3)(i) of this subsection.

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

7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
8 1, 2017.