



One Park Place | Suite 475 | Annapolis, MD 21401-3475
1-866-542-8163 | Fax: 410-837-0269
aarp.org/md | md@aarp.org | twitter: @aarpm
facebook.com/aarpm

SB 134 Medicare Supplement Policies – Issuance – Requirements
Senate Finance Committee
January 28, 2026

FAVORABLE

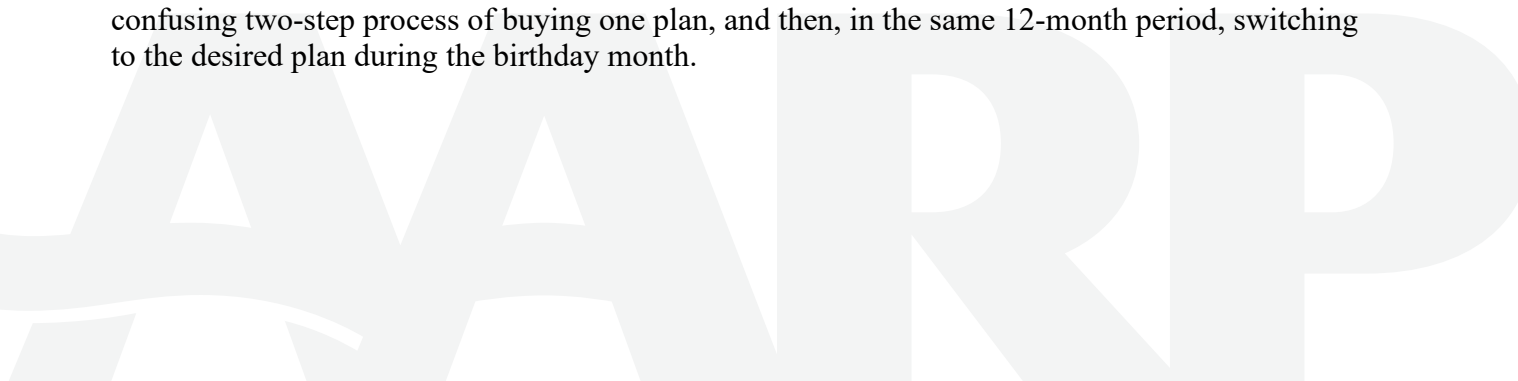
Chair Beidle and members of the Senate Finance Committee, I am Jim Gutman, a health care advocacy lead volunteer for AARP Maryland. I represent that organization and its 850,000 members in the state in support of SB 134. We applaud the Maryland Insurance Administration for helping to craft this important legislation.

Access to appropriate Medicare supplement policies, or Medigap policies as they are commonly known, is very important for AARP’s constituency, as it is for all seniors. But, through no fault of their own, numerous seniors in Maryland and elsewhere are unable to access an appropriate Medigap plan without undergoing medical underwriting, which puts them at risk of being denied coverage. That occurs even with the aid of the wonderfully helpful “Birthday Rule” law that Maryland enacted with AARP support a few years ago.

A few examples illustrate why this new legislation is needed. One situation occurs when Medicaid beneficiaries lose that coverage through no fault of their own. This can occur, for example, when a senior receives a life-insurance settlement as a result of a spouse's death. This may put the surviving senior at an income level that no longer qualifies for Medicaid, but in Maryland, the survivor cannot purchase a Medigap plan without medical underwriting. That’s because in the state, there is no guaranteed-issue Medigap right if a person loses Medicaid.

This bill would remedy that situation and others involving beneficiaries who became eligible for Medicare in 2020 or earlier and were entitled to a Special Enrollment Period guaranteed-issue right but weren’t able to qualify for the Medigap policy of their choice. That’s a result of some recent federal rules that made eligibility for certain Medigap plans dependent on their date of birth.

Specifically, people in this category cannot access Medigap plans D and G, which offer very comprehensive benefits, unless they undergo medical underwriting. While Maryland’s birthday-rule law does allow a beneficiary to switch from a less-comprehensive plan to D or G without going through underwriting in the 30 days following their birthday each year, there is a significant limitation. Persons with the aforementioned guaranteed-issue right must go through a confusing two-step process of buying one plan, and then, in the same 12-month period, switching to the desired plan during the birthday month.



SB 134 provides a means to end, or at least sharply reduce, confusion in such situations. In doing so, it helps Marylanders get into the Medigap plans that meet their needs without going through a lengthy underwriting process that can result in either being denied access to the desired specific plan or having to pay a large additional premium that may be unaffordable.

For all these reasons, AARP urges the committee to give a favorable report on SB 134 and thanks the Maryland Insurance Administration and Senator Beidle for introducing it.

If you have any questions, please contact Sara Westrick, AARP Maryland Advocacy Director at swestrick@aarp.org or by calling 410-310-0374.