

2024 -- S 2392

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2024

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A N A C T

RELATING TO INSURANCE -- MEDICARE SUPPLEMENT INSURANCE POLICIES

Introduced By: Senators Lauria, Valverde, DiMario, Bissailon, Lawson, Euer, Miller,
Felag, Pearson, and Cano

Date Introduced: February 12, 2024

Referred To: Senate Health & Human Services

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 27-18.2-3 of the General Laws in Chapter 27-18.2 entitled "Medicare
2 Supplement Insurance Policies" is hereby amended to read as follows:

3 **27-18.2-3. Standards for policy provisions.**

4 (a) No Medicare supplement insurance policy or certificate in force in the state shall contain
5 benefits that duplicate benefits provided by Medicare.

6 (b) Notwithstanding any other provision of law of this state, a Medicare supplement policy
7 or certificate shall not exclude or limit benefits for loss incurred more than six (6) months from the
8 effective date of coverage because it involved a preexisting condition. The policy or certificate shall
9 not define a preexisting condition more restrictively than a condition for which medical advice was
10 given or treatment was recommended by or received from a physician within six (6) months before
11 the effective date of coverage.

12 (c) The commissioner shall adopt reasonable regulations to establish specific standards for
13 policy provisions of Medicare supplement policies and certificates. Those standards shall be in
14 addition to and in accordance with the applicable laws of this state, including but not limited to §§
15 27-18-3(a) and 42-62-12 and regulations promulgated pursuant to those sections. No requirement
16 of this title or chapter 62 of title 42 relating to minimum required policy benefits, other than the
17 minimum standards contained in this chapter, shall apply to Medicare supplement policies and
18 certificates. The standards may cover, but not be limited to:

19 (1) Terms of renewability;

- 1 (2) Initial and subsequent conditions of eligibility;
- 2 (3) Nonduplication of coverage;
- 3 (4) Probationary periods;
- 4 (5) Benefit limitations, exceptions, and reductions;
- 5 (6) Elimination periods;
- 6 (7) Requirements for replacement;
- 7 (8) Recurrent conditions; and
- 8 (9) Definitions of terms.

9 (d) The commissioner may adopt reasonable regulations that specify prohibited policy
10 provisions not specifically authorized by statute, if, in the opinion of the commissioner, those
11 provisions are unjust, unfair, or unfairly discriminatory to any person insured or proposed to be
12 insured under a Medicare supplement policy or certificate.

13 (e) The commissioner shall adopt reasonable regulations to establish minimum standards
14 for premium rates, benefits, claims payment, marketing practices, and compensation arrangements
15 and reporting practices for Medicare supplement policies and certificates.

16 (f) The commissioner may adopt any reasonable regulations necessary to conform
17 Medicare supplement policies and certificates to the requirements of federal law and regulations
18 promulgated pursuant to federal law, including but not limited to:

19 (1) Requiring refunds or credits if the policies or certificates do not meet loss ratio
20 requirements;

21 (2) Establishing a uniform methodology for calculating and reporting loss ratios;

22 (3) Assuring public access to policies, premiums, and loss ratio information of issuers of
23 Medicare supplement insurance;

24 (4) Establishing a process for approving or disapproving policy forms and certificate forms
25 and proposed premium increases;

26 (5) Establishing a policy for holding public hearings prior to approval of premium increases
27 that may include the applicant's provision of notice of the proposed premium increase to all
28 subscribers subject to the proposed increase, at least ten (10) days prior to the hearing; and

29 (6) Establishing standards for Medicare select policies and certificates.

30 (g) Each Medicare supplement Plan A policy or applicable certificate that an issuer
31 currently, or at any time hereafter, makes available in this state shall be made available to any
32 applicant under the age of sixty-five (65) who is eligible for Medicare due to a disability or end-
33 stage renal disease, provided that the applicant submits their application during the first six (6)
34 months immediately following the applicant's initial eligibility for Medicare Part B, or alternate

1 enrollment period as determined by the commissioner. The issuance or coverage of any Medicare
2 supplement policy pursuant to this section shall not be conditioned on the medical or health status
3 or receipt of health care by the applicant; and no insurer shall perform individual medical
4 underwriting on any applicant in connection with the issuance of a policy pursuant to this
5 subsection.

6 (h) Individuals enrolled in Medicare Parts A and B applying for a Medicare supplement
7 plan, regardless of age, shall receive guaranteed issue rights for standardized Medicare Supplement
8 Plan A during an annual enrollment period of at least one month each calendar year, as established
9 by the issuer. The issuance or coverage of any Medicare supplement policy pursuant to this section
10 shall not be conditioned on the medical or health status or receipt of health care by the applicant;
11 and no insurer shall perform individual medical underwriting in connection with the issuance of a
12 policy pursuant to this subsection; provided:

13 (1) That the applicant, having been enrolled in Medicare Part A and Part B, enrolled in a
14 Medicare Advantage plan under Medicare Part C, and remains enrolled in such a plan when the
15 Medicare supplement application is submitted.

16 (i) An issuer of a Medicare supplemental insurance policy shall make available to persons
17 eligible for Medicare by reason of disability or end-stage renal disease as specified under 42 U.S.C.
18 §§ 426(b) or 426-1 each type of Medicare supplemental insurance policy such issuer makes
19 available to persons eligible for Medicare by reason of age. In addition, the issuer shall not charge
20 individuals who become eligible for Medicare by reason of disability or end-stage renal disease as
21 specified under 42 U.S. C §§ 426(b) or 426-1 and who are under the age of sixty-five (65) years
22 premium rates for any medical supplemental insurance benefit plan offered by the issuer that
23 exceeds the issuer's premium rates charged for such plan to individuals who are age sixty-five (65)
24 years.

25 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO INSURANCE -- MEDICARE SUPPLEMENT INSURANCE POLICIES

1 This act would amend the standards for issuing Medicare supplemental insurance policies
2 by requiring that issuers of those policies make available to persons eligible for Medicare by reason
3 of disability or end-stage renal disease each type of Medicare supplemental insurance policy the
4 issuer makes available to persons eligible for Medicare by reason of age. The act would also
5 prohibit insurers from charging different premiums for any medical supplemental insurance benefit
6 plan offered by the insurer based on the age of a person.

7 This act would take effect upon passage.

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