

Senate Bill 316

By: Senators Thomas of the 54th and Harbison of the 15th

AS PASSED SENATE

**A BILL TO BE ENTITLED
AN ACT**

1 To amend Chapter 43 of Title 33 of the Official Code of Georgia Annotated, relating to
2 medicare supplement insurance, so as to require insurers who offer medicare supplemental
3 insurance policies in this state to make available supplemental policies to persons under the
4 age of 65 who qualify for medicare due to disability or end-stage renal disease; to provide
5 for time frames when persons may enroll in a medicare supplement insurance policy; to
6 provide for payment by third parties; to provide for limitations on differences in premiums
7 charged to different applicants; to provide for related matters; to repeal conflicting laws; and
8 for other purposes.

9 **BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:**

10 **SECTION 1.**

11 Chapter 43 of Title 33 of the Official Code of Georgia Annotated, relating to medicare
12 supplemental insurance, is amended by revising Code Section 33-43-3, relating to duplicate
13 benefits prohibited and establishment of standards, as follows:

14 "33-43-3.

15 (a) No medicare supplement insurance policy or certificate in force in this state shall
16 contain benefits which duplicate benefits provided by medicare.

17 (b) Notwithstanding any other provision of Georgia law, a medicare supplement policy or
18 certificate shall not exclude or limit benefits for losses incurred more than six months from
19 the effective date of coverage because it involved a preexisting condition. The policy or
20 certificate shall not define a preexisting condition more restrictively than a condition for
21 which medical advice was given or treatment was recommended by or received from a
22 physician within six months before the effective date of coverage.

23 (c) The Commissioner shall adopt reasonable regulations to establish specific standards
24 for policy provisions of medicare supplement policies and certificates. Such standards shall
25 be in addition to and in accordance with applicable laws of this state. No requirement of
26 this title relating to minimum required policy benefits, other than the minimum standards

27 contained in this chapter, shall apply to medicare supplement policies and certificates. The
 28 standards may cover, but shall not be limited to:

- 29 (1) Terms of renewability;
- 30 (2) Initial and subsequent conditions of eligibility;
- 31 (3) Nonduplication of coverage;
- 32 (4) Probationary periods;
- 33 (5) Benefit limitations, exceptions, and reductions;
- 34 (6) Elimination periods;
- 35 (7) Requirements for replacement;
- 36 (8) Recurrent conditions; and
- 37 (9) Definitions of terms.

38 (d) The Commissioner shall adopt reasonable regulations to establish minimum standards
 39 for benefits, claims payment, marketing practices, compensation arrangements, and
 40 reporting practices for medicare supplement policies and certificates.

41 (e) The Commissioner may adopt from time to time such reasonable regulations as are
 42 necessary to conform medicare supplement policies and certificates to the requirements of
 43 federal law and regulations promulgated thereunder, including, but not limited to:

- 44 (1) Requiring refunds or credits if the policies or certificates do not meet loss ratio
 45 requirements;
- 46 (2) Establishing a uniform methodology for calculating and reporting loss ratios;
- 47 (3) Assuring public access to policies, premiums, and loss ratio information of issuers
 48 of medicare supplement insurance;
- 49 (4) Establishing a process for approving or disapproving policy forms, certificate forms,
 50 and proposed premium increases;
- 51 (5) Establishing a policy for holding public hearings prior to approval of premium
 52 increases; and
- 53 (6) Establishing standards for medicare select policies and certificates.

54 (f) The Commissioner may adopt reasonable regulations that specify prohibited policy
 55 provisions not otherwise specifically authorized by statute which, in the opinion of the
 56 Commissioner, are unjust, unfair, or unfairly discriminatory to any person insured or
 57 proposed to be insured under a medicare supplement policy or certificate.

58 (g) Insurers offering medicare supplement policies in this state to persons 65 years of age
 59 or older shall also offer medicare supplement policies to persons in this state who are
 60 eligible for and enrolled in medicare by reason of disability or end-stage renal disease.
 61 Except as otherwise provided in this Code section, all benefits, protections, policies, and
 62 procedures that apply to persons 65 years of age or older shall also apply to persons that
 63 are eligible for and enrolled in medicare by reason of disability or end-stage renal disease.

64 (h) Persons may enroll in a medicare supplement policy at any time authorized or required
65 by the federal government, or within six months of:

66 (1) Enrolling in medicare Part B, or by January 1, 2011, for an individual who is under
67 65 years of age and is eligible for medicare because of disability or end-stage renal
68 disease, whichever is later;

69 (2) Receiving notice that such person has been retroactively enrolled in medicare Part
70 B due to a retroactive eligibility decision made by the Social Security Administration; or

71 (3) Having had a prior health insurance policy, accident and sickness policy,
72 employer-sponsored medicare supplement insurance policy, or Medicare Advantage plan
73 terminated or cancelled due to the applicant's employment status, a decision of the
74 individual applicant's employer, or an action by an insurer unrelated to the applicant's
75 status or conduct.

76 (i) No policy or certificate issued pursuant to this chapter shall prohibit payment made by
77 third parties on behalf of individual applicants or individuals within a group applicant so
78 long as full payment is made in a timely manner as provided in the policy.

79 (j) Premiums for medicare supplemental insurance policies may differ between persons
80 who qualify for medicare who are 65 years of age or older and those who qualify for
81 medicare who are younger than 65 years of age; provided, however, that such differences
82 in premiums shall not be excessive, inadequate, or unfairly discriminatory."

83 **SECTION 2.**

84 All laws and parts of laws in conflict with this Act are repealed.