

§5002-A. Standards for policy provisions and authority to adopt rules

1. Duplicate benefits. A Medicare supplement policy or certificate in force in the State may not contain benefits that duplicate benefits provided by Medicare.

[PL 1991, c. 740, §4 (NEW).]

2. Standardization. The superintendent may adopt rules specifying the minimum Medicare supplement contract benefits required in the State and the new and innovative benefits available for sale in the State. All other benefits or options are prohibited in a Medicare supplement contract subject to this chapter.

[PL 1993, c. 154, §2 (AMD).]

3. Preexisting conditions. Notwithstanding any other provision of law of this State, a Medicare supplement policy or certificate may not exclude or limit benefits for losses incurred more than 6 months from the effective date of coverage because the medical condition involved a preexisting condition. The policy or certificate may not define a preexisting condition more restrictively than as a condition for which medical advice was given or treatment was recommended by or received from a physician within 6 months before the effective date of coverage.

[PL 1991, c. 740, §4 (NEW).]

4. Specific standards. The superintendent shall adopt rules to establish specific standards for policy provisions of Medicare supplement policies and certificates. These standards must be in addition to and in accordance with applicable laws of this State. No requirement of the insurance laws relating to minimum required policy benefits, other than the minimum standards contained in this chapter, applies to Medicare supplement policies and certificates. The standards may cover, but are not limited to:

A. Terms of renewability; [PL 1991, c. 740, §4 (NEW).]

B. Initial and subsequent conditions of eligibility; [PL 1991, c. 740, §4 (NEW).]

C. Nonduplication of coverage; [PL 1991, c. 740, §4 (NEW).]

D. Probationary periods; [PL 1991, c. 740, §4 (NEW).]

E. Benefit limitations, exceptions and reductions, which may not be more restrictive than those of Medicare for any type of care covered under the policy; [PL 1991, c. 740, §4 (NEW).]

F. Elimination periods; [PL 1991, c. 740, §4 (NEW).]

G. Requirements for replacement; [PL 1991, c. 740, §4 (NEW).]

H. Recurrent conditions; and [PL 1991, c. 740, §4 (NEW).]

I. Definitions of terms. [PL 1991, c. 740, §4 (NEW).]

[PL 1991, c. 740, §4 (NEW).]

5. Minimum standards for benefits, claims, marketing, compensation and reporting. The superintendent shall adopt reasonable rules to establish minimum standards for benefits, claims payment, marketing practices and compensation arrangements and reporting practices for Medicare supplement policies and certificates.

[PL 1991, c. 740, §4 (NEW).]

6. Other policies not prohibited. Nothing in this section may be construed to prohibit the sale of insurance policies or contracts to persons eligible for Medicare by reason of age because those policies or contracts fail to meet the requirements of this chapter. Such policies may not be advertised, marketed or designed as Medicare supplement policies.

[PL 1991, c. 740, §4 (NEW).]

7. Method of identification. The superintendent shall prescribe the method of identification of Medicare supplement policies. The superintendent shall prescribe a method of identification of health insurance policies other than Medicare supplement policies or contracts that are advertised, marketed or designed for persons eligible for Medicare by reason of age. That method may include, but is not limited to, a requirement that such policies clearly indicate they are limited benefit health coverage policies and clearly specify that they do not meet the minimum standards for Medicare supplement policies.

[PL 1991, c. 740, §4 (NEW).]

8. Conformance of policies to federal law. The superintendent may adopt from time to time such reasonable rules as are necessary to conform Medicare supplement policies and certificates to the requirements of federal law and rules adopted pursuant to federal law, including but not limited to:

A. Requiring refunds or credits if the policies or certificates do not meet loss ratio requirements; [PL 1991, c. 740, §4 (NEW).]

B. Establishing a uniform methodology for calculating and reporting loss ratios; [PL 1991, c. 740, §4 (NEW).]

C. Assuring public access to policies, premiums and loss ratio information of issuers of Medicare supplement insurance; [PL 1991, c. 740, §4 (NEW).]

D. Establishing a process for approving or disapproving policy forms and certificate forms and proposed premium increases; [PL 1991, c. 740, §4 (NEW).]

E. Establishing a policy for holding public hearings prior to approval of premium increases; and [PL 1991, c. 740, §4 (NEW).]

F. Establishing standards for Medicare select policies and certificates. [PL 1991, c. 740, §4 (NEW).]

[PL 1991, c. 740, §4 (NEW).]

9. Prohibited policy provisions. The superintendent may adopt reasonable rules that prohibit policy provisions not specifically authorized by statute that in the opinion of the superintendent are unjust, unfair or unfairly discriminatory to any person insured or proposed to be insured under a Medicare supplement policy or certificate.

[PL 1991, c. 740, §4 (NEW).]

SECTION HISTORY

PL 1991, c. 740, §4 (NEW). PL 1993, c. 154, §2 (AMD).

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