

Senate File 258 - Introduced

SENATE FILE 258
BY KETTERING

A BILL FOR

1 An Act relating to issuance of policies of individual accident
2 and sickness insurance or subscriber contracts that provide
3 Medicare supplement coverage and including applicability
4 provisions.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 514D.3A Medicare supplement
2 insurance — issuance.

3 1. The commissioner shall issue rules with respect to
4 policies of individual accident and sickness insurance or
5 subscriber contracts that provide Medicare supplement coverage,
6 to require an insurer to issue such a policy or contract to
7 an individual, upon application, without requiring additional
8 underwriting, if all of the following conditions are met:

9 a. At the time of application, the individual is covered
10 by an in-force policy or contract that provides Medicare
11 supplement coverage at one of the standard levels of coverage
12 approved by the centers for Medicare and Medicaid services of
13 the United States department of health and human services.

14 b. The individual applies to the insurer for a new policy
15 or contract that provides Medicare supplement coverage within
16 thirty days prior to or succeeding the anniversary date of the
17 individual's in-force policy or contract that provides Medicare
18 supplement coverage.

19 c. The Medicare supplement coverage applied for provides
20 the same level of coverage as the applicant had in force at the
21 time of application.

22 2. A policy of individual accident and sickness insurance or
23 subscriber contract that provides Medicare supplement coverage
24 issued pursuant to subsection 1 is not required to be issued
25 at the same premium rate as the policy or contract providing
26 such coverage that the individual had in force at the time of
27 application for the new policy or contract.

28 Sec. 2. APPLICABILITY. This Act applies to policies of
29 individual accident and sickness insurance or subscriber
30 contracts that provide Medicare supplement coverage, that are
31 delivered, issued for delivery, continued, or renewed in this
32 state on or after January 1, 2012.

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EXPLANATION

34 This bill requires the commissioner of insurance to issue
35 rules with respect to policies of individual accident and

1 sickness insurance or subscriber contracts that provide
2 Medicare supplement coverage, that require an insurer to issue
3 such a policy or contract to an individual, upon application,
4 without requiring additional underwriting if at the time of
5 application the individual is covered by such an in-force
6 policy or contract that provides Medicare supplement coverage
7 at one of the standard levels of coverage approved by the
8 centers for Medicare and Medicaid services of the United States
9 department of health and human services; the individual applies
10 for a new policy or contract within 30 days before or after the
11 anniversary date of the applicant's current Medicare supplement
12 insurance policy or contract; and the coverage applied for is
13 at the same level as the coverage the applicant has at the time
14 of application.

15 A new policy or contract issued pursuant to the bill's
16 provisions is not required to charge the same premium rate for
17 the coverage that the applicant had at the time of application.

18 The bill is applicable to such policies or contracts that
19 provide Medicare supplement coverage that are delivered, issued
20 for delivery, continued, or renewed in this state on or after
21 January 1, 2012.