

191—37.5(514D) Policy provisions.

37.5(1) *Coverage restrictions related to Medicare.* Except for permitted preexisting condition clauses as described in paragraphs 37.6(1)“a,” 37.7(1)“d,” and 37.8(1)“d,” no policy or certificate may be advertised, solicited or issued for delivery in this state as a Medicare supplement policy or certificate if such Medicare supplement policy or certificate contains limitations or exclusions on coverage that are more restrictive than those permitted by Medicare.

37.5(2) *Waivers of preexisting conditions.* No Medicare supplement policy or certificate may use waivers to exclude, limit or reduce coverage or benefits for specifically named or described preexisting diseases or physical conditions.

37.5(3) *Duplicate benefits.* No Medicare supplement policy or certificate in force in the state shall contain benefits which duplicate benefits provided by Medicare insurance.

37.5(4) *Renewal of pre-2006 coverage.* Subject to paragraphs 37.6(1)“d,” “e,” and “g” and 37.7(1)“d” and “e,” a Medicare supplement policy or certificate with benefits for outpatient prescription drugs in existence prior to January 1, 2006, shall, at the option of a currently covered individual who does not enroll in Medicare Part D, be renewed for that covered individual.

37.5(5) *Coverage of prescription drugs after 2005.* A Medicare supplement policy or certificate with benefits for outpatient prescription drugs shall not be issued after December 31, 2005.

37.5(6) *Renewal of coverage of prescription drugs after 2005 for enrollees of Part D.* After December 31, 2005, a Medicare supplement policy or certificate with benefits for outpatient prescription drugs may not be renewed after the covered individual enrolls in Medicare Part D unless:

a. The policy or certificate is modified to eliminate outpatient prescription coverage for expenses of outpatient prescription drugs incurred after the effective date of the covered individual’s coverage under a Medicare Part D plan; and

b. Premiums are adjusted to reflect the elimination of outpatient prescription drug coverage at the time of Medicare Part D enrollment, accounting for any claims paid, if applicable.

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