

Do Pass 2/25/86 (p. 448)

SENATE FILE

108

BY PRIEBE

FILED JAN 28 1985

Passed Senate, Date 3-5-86 (p. 558) Passed House, Date 1-4-86 (p. 1095)

Vote: Ayes 47 Nays 0 Vote: Ayes 98 Nays 0

Approved April 9, 1986

A BILL FOR

1 An Act relating to information regarding medicare supplement
2 insurance coverage.

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

- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25

SF 108

1 Section 1. NEW SECTION. 249B.9 INSURANCE INFORMATION.

2 The commission, with information provided by the insurance
3 department, shall develop and disseminate annually information
4 regarding insurance policies available to supplement medicare,
5 as defined in section 514D.2. The information shall permit a
6 prospective insured to review the extent of coverage of
7 various policies in order of most comprehensive to least, and
8 shall include but is not limited to, the following:

- 9 1. The number of policies issued in Iowa by each
10 corporation issuing contracts or policies relating to medicare
11 supplement coverage.
- 12 2. The number of unresolved complaints against a
13 corporation filed with the commissioner of insurance.
- 14 3. The percentage of complaints resolved satisfactorily
15 for subscribers.

16 Sec. 2. Section 514D.5, subsections 3 and 4, Code 1985,
17 are amended to read as follows:

18 3. The commissioner may in cooperation with the commission
19 on the aging shall prescribe disclosure rules for medicare
20 supplement coverage which are determined to be in the public
21 interest and which are designed to adequately inform the
22 prospective insured of the need for and extent of coverage
23 offered as medicare supplement coverage. For medicare
24 supplement coverage, the outline of coverage required by
25 subsection 2 shall be furnished to the prospective insured
26 with the application form.

27 4. The commissioner may in cooperation with the commission
28 on the aging shall further prescribe by rule a standard form
29 for and the contents of an informational brochure for persons
30 eligible for medicare by reason of age, which is intended to
31 improve the buyer's ability to select the most appropriate
32 coverage and to improve the buyer's understanding of medicare.
33 Except in the case of direct response insurance policies, the
34 commissioner may require by rule that this informational
35 brochure be provided to prospective insureds eligible for

1 medicare concurrently with delivery of the outline of
2 coverage. With respect to direct response insurance policies,
3 the commissioner may require by rule that this brochure must
4 be provided to prospective insureds eligible for medicare by
5 reason of age upon request, but not later than at the time of
6 delivery of the policy or contract. The commissioner shall
7 provide the information received from insurers pursuant to
8 subsections 3 and 4 and information relating to section 249B.9
9 to the executive director of the commission on the aging.

10 EXPLANATION

11 This bill requires the commissioner of insurance to
12 prescribe disclosure rules and standard forms for medicare
13 supplement coverage. Current law permits the commissioner of
14 insurance to prescribe such rules and forms.

15 The bill requires the commissioner of insurance to provide
16 the information received regarding medicare supplement
17 policies to the executive director of the commission on the
18 aging.

19 The commission on the aging is required to disseminate
20 information relating to medicare supplement coverage.

21
22

SENATE FILE 108

S-5257

1 Amend Senate File 108 as follows:

2 1. Page 1, line 18, by striking the words "in
3 cooperation" and inserting in lieu thereof the words
4 "after consultation".

5 2. Page 1, line 27, by striking the words "in
6 cooperation" and inserting in lieu thereof the words
7 "after consultation".

S-5257 Filed March 4, 1986 BY RITSEMA

Adopted 3/5 (p. 558)

34

35

1 Section 1. NEW SECTION. 249B.9 INSURANCE INFORMATION.

2 The commission, with information provided by the insurance
3 department, shall develop and disseminate annually information
4 regarding insurance policies available to supplement medicare,
5 as defined in section 514D.2. The information shall permit a
6 prospective insured to review the extent of coverage of
7 various policies in order of most comprehensive to least, and
8 shall include but is not limited to, the following:

- 9 1. The number of policies issued in Iowa by each
10 corporation issuing contracts or policies relating to medicare
11 supplement coverage.
- 12 2. The number of unresolved complaints against a
13 corporation filed with the commissioner of insurance.
- 14 3. The percentage of complaints resolved satisfactorily
15 for subscribers.

16 Sec. 2. Section 514D.5, subsections 3 and 4, Code 1985,
17 are amended to read as follows:

18 3. The commissioner may after consultation with the
19 commission on the aging shall prescribe disclosure rules for
20 medicare supplement coverage which are determined to be in the
21 public interest and which are designed to adequately inform
22 the prospective insured of the need for and extent of coverage
23 offered as medicare supplement coverage. For medicare
24 supplement coverage, the outline of coverage required by
25 subsection 2 shall be furnished to the prospective insured
26 with the application form.

27 4. The commissioner may after consultation with the
28 commission on the aging shall further prescribe by rule a
29 standard form for and the contents of an informational
30 brochure for persons eligible for medicare by reason of age,
31 which is intended to improve the buyer's ability to select the
32 most appropriate coverage and to improve the buyer's
33 understanding of medicare. Except in the case of direct
34 response insurance policies, the commissioner may require by
35 rule that this informational brochure be provided to

1 prospective insureds eligible for medicare concurrently with
2 delivery of the outline of coverage. With respect to direct
3 response insurance policies, the commissioner may require by
4 rule that this brochure must be provided to prospective
5 insureds eligible for medicare by reason of age upon request,
6 but not later than at the time of delivery of the policy or
7 contract. The commissioner shall provide the information
8 received from insurers pursuant to subsections 3 and 4 and
9 information relating to section 249B.9 to the executive
10 director of the commission on the aging.

11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35

SENATE FILE 108

AN ACT
RELATING TO INFORMATION REGARDING MEDICARE SUPPLEMENT INSURANCE
COVERAGE.

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

Section 1. NEW SECTION. 249B.9 INSURANCE INFORMATION.

The commission, with information provided by the insurance department, shall develop and disseminate annually information regarding insurance policies available to supplement medicare, as defined in section 514D.2. The information shall permit a prospective insured to review the extent of coverage of various policies in order of most comprehensive to least, and shall include but is not limited to, the following:

1. The number of policies issued in Iowa by each corporation issuing contracts or policies relating to medicare supplement coverage.
2. The number of unresolved complaints against a corporation filed with the commissioner of insurance.
3. The percentage of complaints resolved satisfactorily for subscribers.

Sec. 2. Section 514D.5, subsections 3 and 4, Code 1985, are amended to read as follows:

3. The commissioner may after consultation with the commission on the aging shall prescribe disclosure rules for medicare supplement coverage which are determined to be in the public interest and which are designed to adequately inform the prospective insured of the need for and extent of coverage offered as medicare supplement coverage. For medicare supplement coverage, the outline of coverage required by subsection 2 shall be furnished to the prospective insured with the application form.

4. The commissioner may after consultation with the commission on the aging shall further prescribe by rule a standard form for and the contents of an informational brochure for persons eligible for medicare by reason of age,

which is intended to improve the buyer's ability to select the most appropriate coverage and to improve the buyer's understanding of medicare. Except in the case of direct response insurance policies, the commissioner may require by rule that this informational brochure be provided to prospective insureds eligible for medicare concurrently with delivery of the outline of coverage. With respect to direct response insurance policies, the commissioner may require by rule that this brochure must be provided to prospective insureds eligible for medicare by reason of age upon request, but not later than at the time of delivery of the policy or contract. The commissioner shall provide the information received from insurers pursuant to subsections 3 and 4 and information relating to section 249B.9 to the executive director of the commission on the aging.

ROBERT T. ANDERSON
President of the Senate

DONALD D. AVENSON
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 108, Seventy-first General Assembly.

K. MARIE TRAYER
Secretary of the Senate

Approved April 9, 1986

TERRY E. BRANSTAD
Governor