

**House File 462 - Introduced**

HOUSE FILE 462  
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO HF 228)

**A BILL FOR**

1 An Act relating to Medicare supplement policies and an annual  
2 open enrollment period.

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

1 Section 1. NEW SECTION. 514M.1 Medicare supplement  
2 insurance — annual open enrollment.

3 1. For purposes of this section, unless the context  
4 otherwise requires:

5 a. "*Applicant*" means an individual who is at least  
6 sixty-five years old who seeks to contract for benefits  
7 under an individual Medicare supplement policy, or a proposed  
8 covered individual under a group Medicare supplement policy.  
9 "*Applicant*" includes an individual under the age of sixty-five  
10 who qualifies for Medicare due to disability, end-stage renal  
11 disease, or exposure to an environmental hazard.

12 b. "*Certificate*" means any certificate of coverage delivered  
13 or issued for delivery in this state to a covered individual  
14 under a group Medicare supplement policy.

15 c. "*Issuer*" means an insurance company, a fraternal benefit  
16 society, a health care service plan, a health maintenance  
17 organization, or any other entity delivering or issuing  
18 for delivery in this state a Medicare supplement policy or  
19 certificate.

20 d. "*Medicare supplement policy*" means an individual or group  
21 policy of accident and sickness insurance or a subscriber  
22 contract of hospital and medical service associations or  
23 health maintenance organizations, other than a policy issued  
24 pursuant to a contract under section 1876 of the federal Social  
25 Security Act, as codified in 42 U.S.C. §1395 et seq., or an  
26 issued policy under an approved demonstration project described  
27 in section 603(c) of the Social Security Amendments of 1983,  
28 section 2355 of the federal Deficit Reduction Act of 1984, or  
29 section 9412(b) of the federal Omnibus Budget Reconciliation  
30 Act of 1986, that is advertised, marketed, or designed  
31 primarily as a supplement to reimbursements under Medicare  
32 for hospital, medical, or surgical expenses of individuals  
33 covered by Medicare. "*Medicare supplement policy*" does not  
34 include Medicare advantage plans, outpatient prescription drug  
35 plans established under Medicare part D, or any health care

1 prepayment plan that provides benefits pursuant to an agreement  
2 under section 1833(a)(1)(A) of the federal Social Security Act.

3 2. Beginning January 1, 2024, applicants shall have an  
4 annual thirty-day open enrollment period that begins on the  
5 date of the applicant's birthday.

6 3. During the open enrollment period under subsection 2, an  
7 issuer shall be prohibited from doing any of the following:

8 a. Denying or conditioning the issuance or effectiveness of  
9 any Medicare supplement policy or certificate that the issuer  
10 offers and that is available for issuance in the state.

11 b. Subjecting an applicant to medical underwriting, or  
12 discriminating in the pricing of a Medicare supplement policy  
13 or certificate because of the applicant's health status, claims  
14 experience, receipt of health care, or medical condition.

15 c. Imposing an exclusion of benefits based on an applicant's  
16 preexisting condition.

17 4. An issuer shall provide notice, in a form prescribed by  
18 the commissioner of insurance, of the annual open enrollment  
19 period at the time an applicant applies for a Medicare  
20 supplement policy or certificate.

21 EXPLANATION

22 The inclusion of this explanation does not constitute agreement with  
23 the explanation's substance by the members of the general assembly.

24 This bill relates to Medicare supplement policies and an  
25 annual open enrollment period.

26 Beginning January 1, 2024, applicants shall have an annual  
27 30-day open enrollment period that begins on the date of an  
28 applicant's birthday. "Applicant" is defined in the bill as an  
29 individual who is at least 65 years old who seeks to contract  
30 for benefits under an individual Medicare supplement policy, or  
31 a proposed covered individual under a group Medicare supplement  
32 policy. "Applicant" includes an individual under the age of 65  
33 who qualifies for Medicare due to disability, end-stage renal  
34 disease, or exposure to an environmental hazard. "Medicare  
35 supplement policy" is also defined in the bill.

1 During the open enrollment period, an issuer is prohibited  
2 from denying or conditioning the issuance or effectiveness  
3 of any Medicare supplement policy that the issuer offers and  
4 that is available for issuance in the state; from subjecting  
5 an applicant to medical underwriting or discriminating in the  
6 pricing of a Medicare supplement policy because of the health  
7 status, claims experience, receipt of health care, or medical  
8 condition of an applicant; and from imposing an exclusion  
9 of benefits based on an applicant's preexisting condition.  
10 An issuer shall provide notice, in a form prescribed by the  
11 commissioner of insurance, of the annual open enrollment period  
12 at the time an applicant applies for a Medicare supplement  
13 policy or certificate. "Issuer" is defined in the bill.