

House File 462 - Reprinted

HOUSE FILE 462
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO HF 228)

(As Amended and Passed by the House March 21, 2023)

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 a covered person
6 under an individual or group Medicare supplement policy.

7 "*Applicant*" includes an individual under the age of sixty-five
8 who qualifies for Medicare due to disability, end-stage renal
9 disease, or exposure to an environmental hazard.

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

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

18 d. "*Medicare supplement policy*" means an individual or group
19 policy of accident and sickness insurance or a subscriber
20 contract of hospital and medical service associations or
21 health maintenance organizations, other than a policy issued
22 pursuant to a contract under section 1876 of the federal Social
23 Security Act, as codified in 42 U.S.C. §1395 et seq., or an
24 issued policy under an approved demonstration project described
25 in section 603(c) of the Social Security Amendments of 1983,
26 section 2355 of the federal Deficit Reduction Act of 1984, or
27 section 9412(b) of the federal Omnibus Budget Reconciliation
28 Act of 1986, that is advertised, marketed, or designed
29 primarily as a supplement to reimbursements under Medicare
30 for hospital, medical, or surgical expenses of individuals
31 covered by Medicare. "*Medicare supplement policy*" does not
32 include Medicare advantage plans, outpatient prescription drug
33 plans established under Medicare part D, or any health care
34 prepayment plan that provides benefits pursuant to an agreement
35 under section 1833(a)(1)(A) of the federal Social Security Act.

1 2. Beginning January 1, 2024, applicants shall have an
2 annual thirty-one-day open enrollment period that begins on
3 March 1.

4 3. During the open enrollment period under subsection 2, an
5 issuer shall be prohibited from doing any of the following for
6 at least one Medicare supplement policy or certificate that the
7 issuer offers and that is available for issuance in the state:

8 *a.* Denying or conditioning the issuance or effectiveness of
9 the Medicare supplement policy or certificate.

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

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

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