

SENATE BILL REPORT

HB 1838

AS REPORTED BY COMMITTEE ON LABOR & COMMERCE, MARCH 24, 1993

**Brief Description:** Requiring minimum standards for benefits in medicare supplement insurance.

**SPONSORS:** Representatives R. Johnson, Mielke, R. Meyers, Rayburn, King, Kremen and Holm; by request of Insurance Commissioner

**HOUSE COMMITTEE ON FINANCIAL INSTITUTIONS**

**SENATE COMMITTEE ON LABOR & COMMERCE**

**Majority Report:** Do pass.

Signed by Senators Moore, Chairman; Prentice, Vice Chairman; Barr, Cantu, Fraser, McAuliffe, Newhouse, Pelz, Prince, and Sutherland.

**Staff:** Benson Porter (786-7470)

**Hearing Dates:** March 19, 1993; March 24, 1993

**BACKGROUND:**

In 1992, the Legislature amended the Medicare supplemental health insurance statute to conform to changes required by the federal Omnibus Budget Reconciliation Act of 1990 (OBRA). OBRA, which contains provisions regulating Medicare supplemental health insurance, requires states to adopt regulations conforming to federal requirements. If a state fails to adopt these regulations, it risks federal regulation of Medicare supplement policies.

The Secretary of Health and Human Services conditionally certified Washington's Medicare supplemental health insurance regulations as meeting federal standards. The certification, however, was conditioned on the state's adoption of a conforming amendment concerning consumer disclosures.

**SUMMARY:**

The state Medicare supplemental health insurance regulatory statute is amended. The Insurance Commissioner is authorized to adopt rules establishing consumer disclosures standards for the replacement of policies to all persons eligible for Medicare, not just those eligible by reason of age.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** none requested

**TESTIMONY FOR:**

This bill makes this state's Medicare supplemental policy insurance laws comply with federal law.

**TESTIMONY AGAINST:** None

**TESTIFIED:** Melodie Bankers, Insurance Commissioner's Office