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HOUSE BILL 1838

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State of Washington

53rd Legislature

1993 Regular Session

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

Read first time 02/10/93. Referred to Committee on Financial Institutions & Insurance.

1 AN ACT Relating to minimum standards for benefits in medicare  
2 supplement insurance; and amending RCW 48.66.041.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 48.66.041 and 1992 c 138 s 4 are each amended to read  
5 as follows:

6 (1) The insurance commissioner shall adopt rules to establish  
7 minimum standards for benefits in medicare supplement insurance  
8 policies and certificates.

9 (2) The commissioner shall adopt rules to establish specific  
10 standards for medicare supplement insurance policy or certificate  
11 provisions. These rules may include but are not limited to:

12 (a) Terms of renewability;

13 (b) Nonduplication of coverage;

14 (c) Benefit limitations, exceptions, and reductions;

15 (d) Definitions of terms;

16 (e) Requiring refunds or credits if the policies or certificates do  
17 not meet loss ratio requirements;

18 (f) Establishing uniform methodology for calculating and reporting  
19 loss ratios;

1 (g) Assuring public access to policies, premiums, and loss ratio  
2 information of an issuer of medicare supplement insurance;

3 (h) Establishing a process for approving or disapproving proposed  
4 premium increases; and

5 (i) Establishing standards for medicare SELECT policies and  
6 certificates.

7 (3) The insurance commissioner may adopt rules that establish  
8 disclosure standards for replacement of policies or certificates by  
9 persons eligible for medicare (~~by reason of age~~).

10 (4) The insurance commissioner may by rule prescribe that an  
11 informational brochure, designed to improve the buyer's understanding  
12 of medicare and ability to select the most appropriate coverage, be  
13 provided to persons eligible for medicare by reason of age. The  
14 commissioner may require that the brochure be provided to applicants  
15 concurrently with delivery of the outline of coverage, except with  
16 respect to direct response insurance, when the brochure may be provided  
17 upon request but no later than the delivery of the policy.

18 (5) In the case of a state or federally qualified health  
19 maintenance organization, the commissioner may waive compliance with  
20 one or all provisions of this section until January 1, 1983.

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