

SENATE BILL REPORT

HB 1539

As Reported By Senate Committee On:
Health & Long-Term Care, March 31, 1999

Title: An act relating to medicare supplement policies.

Brief Description: Clarifying medicare supplement policies.

Sponsors: Representative Parlette.

Brief History:

Committee Activity: Health & Long-Term Care: 3/18/99, 3/31/99 [DP].

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Majority Report: Do pass.

Signed by Senators Wojahn, Vice Chair; Costa, Deccio, Franklin, Johnson and Winsley.

Staff: Jonathan Seib (786-7427)

Background: This bill corrects an error in the statutory text.

Medicare supplements (commonly called Medigap policies) are health insurance policies that provide ways to fill the coverage gaps left by Medicare. In 1992, federal regulations set uniform standards for this coverage with ten standard supplements, A through J.

Medicare supplements were not included in the definition of health plan— adopted in 1993, and therefore are not covered by the "insurance reforms," preexisting condition limitations, portability, and guaranteed issue/renewability.

In 1995, portability protections were extended to this coverage so a person could purchase a Medigap policy without evidence of insurability— if the policy being replaced were more comprehensive. However, there was an error in the wording referencing ... more comprehensive coverage than the *replaced* policy.— It should reference the *replacing* policy.—

Summary of Bill: Language is changed to reference replacing policy.—

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Testimony For: This is the companion bill to the Senate bill which passed the Senate unanimously. It makes a technical change to correct an error in the statutory text.

Testimony Against: None.

Testified: Lori James, Office of the Insurance Commissioner (pro).