

Senate, March 23, 1998. The Committee on Insurance and Real Estate reported through SEN. BOZEK, 6th DIST., Chairman of the Committee on the part of the Senate, that the bill ought to pass.

AN ACT CONCERNING THE AVAILABILITY OF MEDICARE SUPPLEMENT POLICIES FOR DISABLED INDIVIDUALS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Subsection (d) of section 38a-495c of the
2 general statutes is repealed and the following is
3 substituted in lieu thereof:

4 (d) Every insurance company, fraternal
5 benefit society, hospital service corporation,
6 medical service corporation, health care center or
7 other entity in the state issuing Medicare
8 supplement policies or certificates FOR PLAN "A",
9 "B" OR "C", OR ANY COMBINATION THEREOF, TO PERSONS
10 ELIGIBLE FOR MEDICARE BY REASON OF AGE, shall
11 [make, at a minimum, one Medicare supplement
12 policy or certificate which is offered and sold to
13 persons eligible for Medicare by reason of age
14 available, and] offer for sale the same such
15 policies OR CERTIFICATES to persons eligible for
16 Medicare by reason of disability.

17 INS COMMITTEE VOTE: YEA 16 NAY 0 JF

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"THE FOLLOWING FISCAL IMPACT STATEMENT AND BILL ANALYSIS ARE PREPARED FOR THE BENEFIT OF MEMBERS OF THE GENERAL ASSEMBLY, SOLELY FOR PURPOSES OF INFORMATION, SUMMARIZATION AND EXPLANATION AND DO NOT REPRESENT THE INTENT OF THE GENERAL ASSEMBLY OR EITHER HOUSE THEREOF FOR ANY PURPOSE."

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FISCAL IMPACT STATEMENT - BILL NUMBER SB 403

STATE IMPACT	Minimal Workload Increase (Insurance Fund), Anticipated Budgetary Resources, see explanation below
MUNICIPAL IMPACT	None
STATE AGENCY(S)	Department of Insurance

EXPLANATION OF ESTIMATES:

There is a minimal workload increase for the Department of Insurance as a result of the passage of this bill.

The bill specifies plans or certifications to be offered to individuals eligible for Medicare supplement insurance. These plans will be reviewed by the Department of Insurance.

It is expected that this minimal workload increase can be handled by the Department of Insurance within anticipated budgetary resources.

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OLR BILL ANALYSIS

SB 403

AN ACT CONCERNING THE AVAILABILITY OF MEDICARE

SUPPLEMENT POLICIES FOR DISABLED INDIVIDUALS

SUMMARY: This bill may increase the number of Medicare supplement policies available to people eligible for Medicare because of disability. The bill requires insurers and other entities offering Medicare supplement policies "A," "B," or "C," or any combination of them, to people eligible for Medicare because of age to offer the same policies to people eligible for Medicare because of disability.

The bill eliminates the requirement that insurers and other entities offering any of the 10 Medicare supplement policies ("A" to "J") offer at least one of them to people eligible for Medicare because of disability. Medicare eligible disabled people will thus have more choice with insurers that offer policies "A," "B," or "C" but less with those that do not. Few insurers offer all 10 policies, and the law does not require them to.

EFFECTIVE DATE: October 1, 1998

BACKGROUND**Medicare Supplement Policies**

The federal Omnibus Budget Reconciliation Act of 1990 (OBRA) required standardization of Medicare supplement policies. It authorizes 10 standard benefit policies. They consist of a basic "core" policy (policy A) and nine different combinations of add-on benefits (policies B to J).

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable Report

Yea 16 Nay 0