ENGROSSED HOUSE BILL 2837

Chapter 269, Laws of 1996

54th Legislature
1996 Regular Session

MEDICARE SUPPLEMENTAL INSURANCE OR MEDICARE SUPPLEMENT INSURANCE POLICY--DEFINITION REVISED

EFFECTIVE DATE: 3/29/96

Passed by the House March 4, 1996
Yeas 94  Nays 0

Passed by the Senate March 1, 1996
Yeas 45  Nays 1

I, Timothy A. Martin, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is ENGROSSED HOUSE BILL 2837 as passed by the House of Representatives and the Senate on the dates hereon set forth.

Certified March 29, 1996

MIKE LOWRY
Governor of the State of Washington

Secretary of State
State of Washington
AN ACT Relating to the definition of medicare supplemental insurance or medicare supplement insurance policy; amending RCW 48.66.020; and declaring an emergency.

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

Sec. 1. RCW 48.66.020 and 1995 c 85 s 1 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Medicare supplemental insurance" or "medicare supplement insurance policy" refers to a group or individual policy of disability insurance or a subscriber contract of a health care service contractor, a health maintenance organization, or a fraternal benefit society, which relates its benefits to medicare, or which is advertised, marketed, or designed primarily as a supplement to reimbursements under medicare for the hospital, medical, or surgical expenses of persons eligible for medicare. Such term does not include:

(a) A policy or contract of one or more employers or labor organizations, or of the trustees of a fund established by one or more employers or labor organizations, or combination thereof, for employees
or former employees, or combination thereof, or for members or former members, or combination thereof, of the labor organizations; or

(b) A policy issued pursuant to a contract under Section 1876 (or Section 1833) of the federal social security act (42 U.S.C. Sec. 1395 et seq.), or an issued policy under a demonstration (project authorized pursuant to amendments to the federal social security act) specified in 42 U.S.C. Sec. 1395ss(g)(1); or

(c) Insurance policies or health care benefit plans, including group conversion policies, provided to medicare eligible persons, that are not marketed or held to be medicare supplement policies or benefit plans.

(2) "Medicare" means the "Health Insurance for the Aged Act," Title XVIII of the Social Security Amendments of 1965, as then constituted or later amended.

(3) "Medicare eligible expenses" means health care expenses of the kinds covered by medicare, to the extent recognized as reasonable and medically necessary by medicare.

(4) "Applicant" means:

(a) In the case of an individual medicare supplement insurance policy or subscriber contract, the person who seeks to contract for insurance benefits; and

(b) In the case of a group medicare supplement insurance policy or subscriber contract, the proposed certificate holder.

(5) "Certificate" means any certificate delivered or issued for delivery in this state under a group medicare supplement insurance policy.

(6) "Loss ratio" means the incurred claims as a percentage of the earned premium computed under rules adopted by the insurance commissioner.

(7) "Preexisting condition" means a covered person’s medical condition that caused that person to have received medical advice or treatment during a specified time period immediately prior to the effective date of coverage.

(8) "Disclosure form" means the form designated by the insurance commissioner which discloses medicare benefits, the supplemental benefits offered by the insurer, and the remaining amount for which the insured will be responsible.

(9) "Issuer" includes insurance companies, health care service contractors, health maintenance organizations, fraternal benefit
societies, and any other entity delivering or issuing for delivery
medicare supplement policies or certificates to a resident of this
state.

NEW SECTION.  Sec. 2.  This act is necessary for the immediate
preservation of the public peace, health, or safety, or support of the
state government and its existing public institutions, and shall take
effect immediately.

Passed the House March 4, 1996.
Passed the Senate March 1, 1996.
Approved by the Governor March 29, 1996.
Filed in Office of Secretary of State March 29, 1996.