

# FINAL BILL REPORT

## HB 1539

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Synopsis as Enacted

**Brief Description:** Clarifying medicare supplement policies.

**Sponsors:** Representative Parlette.

**House Committee on Health Care**

**Senate Committee on Health & Long-Term Care**

**Background:**

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, with J being the most comprehensive.

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 on the wording referencing ". . . more comprehensive coverage than the *replaced* policy." It should have referenced "the *replacing* policy."

**Summary:**

Language relating to portability requirements for purchasing Medigap coverage is changed to reference "replacing policy."

**Votes on Final Passage:**

House 97 0  
Senate 47 0 (Senate amended)  
House (House refused to concur)  
Senate 42 0 (Senate receded)

**Effective:** July 25, 1999