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ENGROSSED SUBSTITUTE HOUSE BILL 2354

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State of Washington

58th Legislature

2004 Regular Session

By House Committee on Health Care (originally sponsored by Representatives Kristiansen, McMahan, Newhouse, Roach, McDonald, Sullivan, Ahern, Simpson, G., Pearson, Morrell, Bailey and Benson)

READ FIRST TIME 01/27/04.

1 AN ACT Relating to rates for a medicare supplement insurance  
2 policy; and amending RCW 48.66.045.

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

4 **Sec. 1.** RCW 48.66.045 and 1999 c 334 s 1 are each amended to read  
5 as follows:

6 Every issuer of a medicare supplement insurance policy or  
7 certificate providing coverage to a resident of this state issued on or  
8 after January 1, 1996, shall:

9 (1) Issue coverage under its standardized benefit plans B, C, D, E,  
10 F, and G without evidence of insurability to any resident of this state  
11 who is eligible for both medicare hospital and physician services by  
12 reason of age or by reason of disability or end-stage renal disease, if  
13 the medicare supplement policy replaces another medicare supplement  
14 standardized benefit plan policy or certificate B, C, D, E, F, or G, or  
15 other more comprehensive coverage than the replacing policy;

16 (2) Issue coverage under its standardized plans A, H, I, and J  
17 without evidence of insurability to any resident of this state who is  
18 eligible for both medicare hospital and physician services by reason of  
19 age or by reason of disability or end-stage renal disease, if the

1 medicare supplement policy replaces another medicare supplement policy  
2 or certificate which is the same standardized plan as the replaced  
3 policy; and

4 (3) Set rates only on a community-rated basis. Premiums shall be  
5 equal for all policyholders and certificate holders under a  
6 standardized medicare supplement benefit plan form, except that an  
7 issuer may vary premiums based on spousal discounts, frequency of  
8 payment, and method of payment including automatic deposit of premiums  
9 and may develop no more than two rating pools that distinguish between  
10 an insured's eligibility for medicare by reason of:

11 (a) Age; or

12 (b) Disability or end-stage renal disease.

13 NEW SECTION. **Sec. 2.** If any provision of this act or its  
14 application to any person or circumstance is held invalid, the  
15 remainder of the act or the application of the provision to other  
16 persons or circumstances is not affected.

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