

PUBLIC CHAPTER NO. 978

SENATE BILL NO. 3164

By Tracy, Ketron, Black, Yager

Substituted for: House Bill No. 3717

By Carr, McDaniel, Lundberg

AN ACT to amend Tennessee Code Annotated, Title 56, relative to medicare supplement insurance.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 56-7-1453, is amended by inserting the following as a new subsection (g):

(g)(1) Insurers offering Medicare supplement policies and certificates in this state to persons sixty-five (65) years of age or older shall also offer Medicare supplement policies to persons in this state who are under sixty-five (65) years of age and eligible for and enrolled in Medicare by reason of disability or end stage renal disease. Except as otherwise provided in this section, all benefits, protections, policies, and procedures that apply to persons sixty-five (65) years of age or older shall also apply to persons that are eligible for and enrolled in Medicare by reason of disability or end stage renal disease.

(2) Individuals who are under sixty-five (65) years of age and eligible for Medicare by reason of disability or end stage renal disease may enroll in a Medicare supplement policy at any time authorized or required by the federal government, or within six (6) months after:

(A) Enrolling in Medicare Part B, or by January 1, 2011, whichever is later;

(B) The date of the notice that such person has been retroactively enrolled in Medicare Part B due to a retroactive eligibility decision made by the Social Security Administration;

(C) No longer having access to alternative forms of health insurance coverage such as accident and sickness policies, employer-sponsored group health coverage or Medicare Advantage plans due to termination or cancellation of such coverage because of the individual's employment status, or an action by a health insurer or employer that is unrelated to the individual's status, conduct or failure to pay premiums; or

(D) Being involuntarily disenrolled from Title XIX (Medicaid) or Title XXI (State Children's Health Insurance Program) of the Social Security Act.

(3) Premium rates for Medicare supplement policies and certificates issued pursuant to this subsection (g) may differ between persons who qualify for Medicare who are sixty-five (65) years of age or older and those who qualify for Medicare by reason of disability or end stage renal disease and who are younger than sixty-five (65) years of age; provided, however, that such differences in premium rates are pursuant to rate schedules that are based on sound actuarial principles and are reasonable in relation to the benefits provided.

SECTION 2. Upon the expiration of five (5) years from the enactment of this act, the Department of Commerce and Insurance shall conduct a study for the purpose of determining the appropriateness of separate premium rating for populations under sixty-five (65) years of age and such study, at a minimum, shall evaluate whether continued separate premium rating is justified in comparison to any negative rating impact or increased cost in premium that would occur to the Medicare supplement insurance population taken as a whole if such separate premium rating were not allowed. The cost of any such study shall be borne by the department within the existing resources of the department at the time of the study.

SECTION 3. For purposes of promulgating rules and regulations, this act shall take effect upon becoming a law, for all other purposes, this act shall take effect on January 1, 2011, the public welfare requiring it.

PASSED: May 13, 2010



RON RAMSEY
SPEAKER OF THE SENATE



KENT WILLIAMS, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 27th day of May 2010



PHIL BREDESEN, GOVERNOR