

By the Committees on Health Regulation; and Banking and Insurance; and Senators Altman, Fasano, Detert, Rich, Hill, and Siplin

588-04076-09

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1 A bill to be entitled
 2 An act relating to Medicare; amending s. 627.6741,
 3 F.S.; requiring that insurers issuing Medicare
 4 supplement policies in this state offer the
 5 opportunity to enroll in a Medicare supplement policy
 6 to certain individuals having a disability or end-
 7 stage renal disease; permitting insurers offering
 8 Medicare supplement policies to effect a one-time rate
 9 schedule change; authorizing insurers to propose a
 10 rate adjustment that considers the experience of
 11 policies or certificates for persons younger than 65
 12 years of age; establishing credibility criteria for
 13 the rate adjustment; providing an effective date.

14
 15 Be It Enacted by the Legislature of the State of Florida:

16
 17 Section 1. Subsection (1) of section 627.6741, Florida
 18 Statutes, is amended to read:

19 627.6741 Issuance, cancellation, nonrenewal, and
 20 replacement.—

21 (1) (a) An insurer issuing Medicare supplement policies in
 22 this state shall offer the opportunity of enrolling in a
 23 Medicare supplement policy, without conditioning the issuance or
 24 effectiveness of the policy on, and without discriminating in
 25 the price of the policy based on, the medical or health status
 26 or receipt of health care by the individual:

27 1. (a) To any individual who is 65 years of age or older, or
 28 under age 65 and eligible for Medicare by reason of disability
 29 or end-stage renal disease, and who resides in this state, upon

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30 the request of the individual during the 6-month period
31 beginning with the first month in which the individual has
32 attained 65 years of age and is enrolled in Medicare ~~Part part~~
33 B, or is eligible for Medicare by reason of a disability or end-
34 stage renal disease, and is enrolled in Medicare Part B; or

35 2. ~~(b)~~ To any individual who is 65 years of age or older, or
36 under age 65 and eligible for Medicare by reason of a disability
37 or end-stage renal disease, who ~~and~~ is enrolled in Medicare Part
38 ~~part~~ B, and who resides in this state, upon the request of the
39 individual during the 2-month period following termination of
40 coverage under a group health insurance policy;:-

41 (b) The 6-month period to enroll in a Medicare supplement
42 policy for an individual who is under age 65 and eligible for
43 Medicare as a result of a disability or end-stage renal disease
44 and otherwise eligible under subparagraph (a)1. or subparagraph
45 (a)2. and first enrolled in Medicare Part B before July 1, 2009,
46 begins on July 1, 2009.

47 (c) A company that has offered Medicare supplement policies
48 to individuals under age 65 who are eligible for Medicare by
49 reason of a disability or end-stage renal disease before July 1,
50 2009, may, one time only, effect a rate schedule change that
51 redefines the age bands of the premium classes without
52 activating the period of discontinuance required by s.
53 627.410 (6) (e) 2.

54 (d) As a part of an insurer's first rate filing for a block
55 of policy forms in 2012, an insurer may propose a rate
56 adjustment that considers the experience of the policies or
57 certificates for those individuals under age 65 separate from
58 the balance of the block. For this one filing only, credibility

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59 of that experience shall be as follows: if a block of policy
60 forms has 1,250 or more policies or certificates in force in the
61 age band, including ages under age 65, full or 100 percent
62 credibility shall be given to the experience. If fewer than 250
63 policies or certificates are in force, no or 0 percent
64 credibility shall be given. Linear interpolation shall be used
65 for in-force amounts between the low and high values. Florida-
66 only experience shall be used if it is 100 percent credible. If
67 Florida experience is not 100 percent credible, a combination of
68 Florida and nationwide experience shall be used. If Florida
69 experience is zero percent credible, nationwide experience shall
70 be used.

71
72 A Medicare supplement policy issued to an individual under
73 subparagraph (a)1. ~~paragraph (a)~~ or subparagraph (a)2. ~~paragraph~~
74 ~~(b)~~ may not exclude benefits based on a preexisting condition if
75 the individual has a continuous period of creditable coverage,
76 as defined in s. 627.6561(5), of at least 6 months as of the
77 date of application for coverage.

78 Section 2. This act shall take effect October 1, 2009.