

104<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1614

To amend the provisions of title XVIII of the Social Security Act relating to Medigap policies to eliminate age rating in premiums, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 11, 1995

Mr. DURBIN (for himself, Mr. KLECZKA, Mr. MEEK of Florida, Mr. PALLONE, Mr. ACKERMAN, Mr. WAXMAN, Mr. McDERMOTT, Ms. PELOSI, Mr. FROST, Mr. KENNEDY of Rhode Island, Ms. KAPTUR, Mr. STARK, Mr. OLVER, Mr. GENE GREEN of Texas, Mr. COLEMAN, Mr. GONZALEZ, Mr. OBERSTAR, Mr. YATES, and Mr. HILLIARD) introduced the following bill; which was referred to the Committee on Commerce

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## A BILL

To amend the provisions of title XVIII of the Social Security Act relating to Medigap policies to eliminate age rating in premiums, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Medigap Consumer  
5 Protection Act of 1995”.

1 **SEC. 2. ELIMINATING ATTAINED AGE RATING FOR IN-**  
2 **CREASES IN PREMIUMS FOR MEDIGAP POLI-**  
3 **CIES.**

4 Section 1882(r) of the Social Security Act (42 U.S.C.  
5 1395ss(r)) is amended—

6 (1) in paragraph (1)—

7 (A) by striking “and” at the end of sub-  
8 paragraph (A),

9 (B) by striking the period at the end of  
10 subparagraph (B) and inserting “; and”, and

11 (C) by inserting after subparagraph (B)  
12 the following:

13 “(C) the premium for the policy does not in-  
14 crease in any way on the basis of the age attained  
15 after enrollment by the policyholder or  
16 certificateholder.”;

17 (2) by redesignating paragraph (6) as para-  
18 graph (7);

19 (3) by inserting after paragraph (5) the follow-  
20 ing new paragraph:

21 “(6) In the case of a medicare supplemental policy  
22 in effect on the effective date of regulations to carry out  
23 paragraph (1)(C), and which does not meet the require-  
24 ments of such paragraph on such date, the policy shall  
25 be considered to meet the requirement of such paragraph  
26 only if the issuer of the policy makes available to the pol-

1 icyholder the option of replacing such policy at the time  
2 of the policyholder's next renewal period with a medicare  
3 supplemental policy which meets the requirements of para-  
4 graph (1)(C) and all other applicable requirements of this  
5 subsection.”; and

6 (4) in paragraph (7)(A) (as redesignated by  
7 paragraph (2)), by inserting “or the requirements of  
8 paragraph (1)(C) or paragraph (6)” after “the loss  
9 ratio requirements of this subsection”.

10 **SEC. 3. EFFECTIVE DATE.**

11 (a) NAIC STANDARDS.—If, within 6 months after  
12 the date of the enactment of this Act, the National Asso-  
13 ciation of Insurance Commissioners (in this subsection re-  
14 ferred to as the “NAIC”) makes changes in the 1991  
15 NAIC Model Regulation (as defined in section  
16 1882(p)(1)(A) of the Social Security Act) to incorporate  
17 the additional requirements imposed by the amendments  
18 made by this Act, section 1882(g)(2)(A) of such Act shall  
19 be applied in each State, effective for policies issued to  
20 policyholders on and after the date specified in subsection  
21 (c) (or, with respect to the requirements imposed by sec-  
22 tion 1882(r)(6) of such Act, effective as of the date speci-  
23 fied in subsection (c) for policies issued before such date),  
24 as if the reference to the Model Regulation adopted on  
25 June 6, 1979, were a reference to the 1991 NAIC Model

1 Regulation (as so defined) as changed under this para-  
2 graph (such changed Regulation referred to in this section  
3 as the “1995 NAIC Model Regulation”).

4 (b) SECRETARY STANDARDS.—If the NAIC does not  
5 make changes in the 1991 NAIC Model Regulation (as  
6 so defined) within the 6-month period specified in sub-  
7 section (a), the Secretary of Health and Human Services  
8 (in this section as the “Secretary”) shall promulgate with-  
9 in 90 days of the end of such period a regulation and sec-  
10 tion 1882(g)(2)(A) of the Social Security Act shall be ap-  
11 plied in each State, effective for policies issued to policy-  
12 holders on and after the date specified in subsection (c)  
13 (or, with respect to the requirements imposed by section  
14 1882(r)(6) of such Act, effective as of the date specified  
15 in subsection (c) for policies issued before such date), as  
16 if the reference to the Model Regulation adopted in June  
17 6, 1979, were a reference to the 1991 NAIC Model Regu-  
18 lation (as so defined) as changed by the Secretary under  
19 this subsection (such changed Regulation referred to in  
20 this section as the “1995 Federal Regulation”).

21 (c) DATE SPECIFIED.—

22 (1) IN GENERAL.—Subject to paragraph (2),  
23 the date specified in this subsection for a State is  
24 the earlier of—

1 (A) the date the State adopts the 1995  
2 NAIC Model Regulation or the 1995 Federal  
3 Regulation; or

4 (B) 1 year after the date the NAIC or the  
5 Secretary first adopts such regulations.

6 (2) ADDITIONAL LEGISLATIVE ACTION RE-  
7 QUIRED.—In the case of a State which the Secretary  
8 identifies, in consultation with the NAIC, as—

9 (A) requiring State legislation (other than  
10 legislation appropriating funds) in order for  
11 medicare supplemental policies to meet the  
12 1995 NAIC Model Regulation or the 1995 Fed-  
13 eral Regulation, but

14 (B) having a legislature which is not  
15 scheduled to meet in 1996 in a legislative ses-  
16 sion in which such legislation may be consid-  
17 ered,

18 the date specified in this subsection is the first day  
19 of the first calendar quarter beginning after the  
20 close of the first legislative session of the State legis-  
21 lature that begins on or after January 1, 1996. For  
22 purposes of the previous sentence, in the case of a  
23 State that has a 2-year legislative session, each year

1 of such session shall be deemed to be a separate reg-  
2 ular session of the State legislature.

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