

IDAPA 18 - IDAHO DEPARTMENT OF INSURANCE

18.01.54 - RULE TO IMPLEMENT THE NAIC MEDICARE SUPPLEMENT INSURANCE MINIMUM STANDARDS MODEL ACT

DOCKET NO. 18-0154-1601

NOTICE OF INTENT TO PROMULGATE RULES - NEGOTIATED RULEMAKING

AUTHORITY: In compliance with Sections 67-5220(1) and 67-5220(2), Idaho Code, notice is hereby given that this agency intends to promulgate rules and desires public comment prior to initiating formal rulemaking procedures. This negotiated rulemaking action is authorized pursuant to Section(s) 41-211 and 41-4409, Idaho Code.

MEETING SCHEDULE: A public meeting on the negotiated rulemaking will be held as follows:

Monday, July 25, 2016 at 1:30 p.m.

**Idaho Department of Insurance
700 W. State Street – 3rd Floor
Boise, ID 83720**

The meeting site(s) will be accessible to persons with disabilities, if needed. Requests for accommodation must be made not later than five (5) days prior to the meeting to the agency address below.

METHOD OF PARTICIPATION: Interested persons wishing to participate in the negotiated rulemaking must respond to this notice by contacting the undersigned either in writing (paper or email) or by calling the phone number listed below, and/or by attending the public meeting.

Upon conclusion of the negotiated rulemaking, any unresolved issues, all key issues considered, and conclusion reached during the negotiated rulemaking will be addressed in a written summary and made available on the agency website.

DESCRIPTIVE SUMMARY AND STATEMENT OF PURPOSE: The following is a statement in nontechnical language of the substance and purpose of the intended negotiated rulemaking and the principal issues involved:

We expect that proposed rulemaking will require all Medicare Supplement (aka Medigap) carriers to offer coverage to Pre-65 Medicare eligible individuals; clarify the requirement to account for interest in projections; and clarify rating/underwriting factors that can be used and when (e.g. smoking, weight, height, Pre-65, etc.).

Twenty-five states now require insurance companies to sell Medigap to all ages enrolled in Part B. Under age 65 Medicare beneficiaries have limited options for payment of Medicare deductible and co-payments. We seek to expand Medicare beneficiaries' options.

The NAIC Medicare Supplement Guidance Manual states: "Interest must be considered in calculating the anticipated lifetime and future loss ratios, otherwise loss ratios will be overstated." Yet, carriers have not included interest because our rule does not state it is required.

Current rule disallows gender and geographic area as rating factors, but other factors are not clearly allowed/disallowed during open enrollment or outside of open enrollment, other than a broad terms of "health status, claims experience, receipt of health care, or medical condition."

ASSISTANCE ON TECHNICAL QUESTIONS, SUBMISSION OF WRITTEN COMMENTS, OBTAINING DRAFT COPIES: For assistance on technical questions concerning this negotiated rulemaking or to obtain a preliminary draft copy of the rule text, contact Thomas A. Donovan, tom.donovan@doi.idaho.gov (208) 334-4214. Materials pertaining to the negotiated rulemaking, including any available preliminary rule drafts, can be found on the Idaho Department of Insurance website at the following web address: www.doi.idaho.gov.

Anyone may submit written comments regarding this negotiated rulemaking. All written comments must be directed to the attention of the undersigned and must be delivered either by hard copy or via email to the same email address for questions set forth on or before Wednesday, July 27, 2016.

DATED this 2nd Day of June, 2016

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