

REFERENCE TITLE: medicare supplement; disability; renal disease

State of Arizona  
House of Representatives  
Fifty-fifth Legislature  
Second Regular Session  
2022

# HB 2211

Introduced by  
Representatives Butler: Powers Hannley

AN ACT

AMENDING SECTION 20-1133, ARIZONA REVISED STATUTES; RELATING TO MEDICARE  
SUPPLEMENT INSURANCE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 20-1133, Arizona Revised Statutes, is amended to  
3 read:

4 20-1133. Medicare supplement insurance; disability; end-stage  
5 renal disease; applicability

6 A. The director shall adopt ~~those~~ rules ~~as are~~ necessary to comply  
7 with the requirements of the social security disability amendments of 1980  
8 (P.L. 96-265; 94 STAT. 441; 42 United States Code section 1395ss) and any  
9 federal laws or regulations pertaining to that section, so that this state  
10 may retain its full authority to regulate minimum standards for medicare  
11 supplement insurance.

12 B. Subject to the other limitations provided in this subsection, ~~no~~  
13 ~~benefit~~ BENEFITS mandated in this title for health insurance policies  
14 ~~shall~~ DO NOT apply to medicare supplement insurance policies unless such  
15 mandated policy benefits are set forth in rules adopted pursuant to this  
16 section or unless the statute mandating policy benefits expressly states  
17 that it is made specifically applicable to medicare supplement insurance  
18 policies. ~~no~~ A medicare supplement insurance policy shall NOT contain any  
19 exclusion for services provided by any type of properly licensed health  
20 care provider if the provider's services are eligible for medicare  
21 reimbursement and if the specific services in question would be covered by  
22 medicare. ~~in no event shall~~ The scope of benefits of a medicare  
23 supplement policy MAY NOT be less than the minimum level of benefits  
24 established by federal law.

25 C. ANY INSURER THAT OFFERS MEDICARE SUPPLEMENT INSURANCE POLICIES  
26 IN THIS STATE TO PERSONS WHO ARE AT LEAST SIXTY-FIVE YEARS OF AGE SHALL  
27 ALSO OFFER MEDICARE SUPPLEMENT INSURANCE POLICIES TO PERSONS WHO ARE  
28 ELIGIBLE FOR AND ENROLLED IN MEDICARE DUE TO A DISABILITY OR END-STAGE  
29 RENAL DISEASE. ALL BENEFITS AND COVERAGES THAT APPLY TO A MEDICARE  
30 ENROLLEE WHO IS AT LEAST SIXTY-FIVE YEARS OF AGE MUST ALSO APPLY TO A  
31 MEDICARE ENROLLEE WHO IS ENROLLED DUE TO A DISABILITY OR END-STAGE RENAL  
32 DISEASE.

33 D. A MEDICARE ENROLLEE MAY ENROLL IN A MEDICARE SUPPLEMENT  
34 INSURANCE POLICY AT ANY TIME ALLOWED OR REQUIRED BY FEDERAL LAW OR WITHIN  
35 SIX MONTHS AFTER ANY OF THE FOLLOWING:

36 1. ENROLLING IN MEDICARE PART B OR JANUARY 1, 2023 FOR AN ENROLLEE  
37 WHO IS UNDER SIXTY-FIVE YEARS OF AGE AND WHO IS ELIGIBLE FOR MEDICARE DUE  
38 TO A DISABILITY OR END-STAGE RENAL DISEASE, WHICHEVER IS LATER.

39 2. RECEIVING NOTICE THAT THE ENROLLEE HAS BEEN RETROACTIVELY  
40 ENROLLED IN MEDICARE PART B DUE TO A RETROACTIVE ELIGIBILITY DECISION MADE  
41 BY THE SOCIAL SECURITY ADMINISTRATION.

42 3. TERMINATION OF COVERAGE UNDER A GROUP HEALTH INSURANCE PLAN.

43 E. AN INSURER MAY NOT CHARGE AN ENROLLEE WHO QUALIFIES FOR MEDICARE  
44 DUE TO A DISABILITY OR END-STAGE RENAL DISEASE AND WHO IS UNDER SIXTY-FIVE  
45 YEARS OF AGE A PREMIUM RATE FOR A MEDICAL SUPPLEMENTAL INSURANCE BENEFIT

1 PLAN OFFERED BY THE INSURER THAT EXCEEDS THE INSURER'S HIGHEST RATE  
2 PURSUANT TO THE INSURER'S RATE SCHEDULE FILED WITH THE DEPARTMENT FOR THAT  
3 PLAN CHARGED TO ENROLLEES WHO ARE AT LEAST SIXTY-FIVE YEARS OF AGE.

4 F. A MEDICARE SUPPLEMENT INSURANCE POLICY ISSUED PURSUANT TO THIS  
5 SECTION MAY NOT PROHIBIT A PAYMENT MADE BY A THIRD PARTY ON BEHALF OF AN  
6 ENROLLEE IF FULL PAYMENT IS MADE IN A TIMELY MANNER AS PROVIDED IN THE  
7 POLICY.

8 ~~F.~~ G. Notwithstanding any other provision of this title, rules  
9 adopted pursuant to this section apply to insurance furnished under  
10 disability insurance policies, ~~under~~ subscription contracts of hospital,  
11 medical, dental or optometric service corporations, ~~under~~ certificates of  
12 fraternal benefit societies, ~~under~~ evidences of coverage of health care  
13 services organizations and ~~under~~ coverages issued by any other insurer,  
14 which policies, contracts, certificates, membership coverages, evidences  
15 of coverage and coverages are delivered or issued for delivery in this  
16 state on or after the effective date of rules adopted pursuant to  
17 subsection A OF THIS SECTION. In adopting the rules required by  
18 subsection A OF THIS SECTION, the director shall prescribe an effective  
19 date of the rules that will allow insurers sufficient time to bring their  
20 forms and practices into compliance with the requirements of the rule.