

REFERENCE TITLE: medicare supplement insurance; guaranteed availability

State of Arizona
Senate
Fifty-fourth Legislature
Second Regular Session
2020

SB 1287

Introduced by
Senators Dalessandro: Alston, Bowie, Bradley, Contreras, Gonzales, Mendez,
Navarrete, Otondo, Peshlakai, Quezada, Rios, Steele; Representative Salman

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; guaranteed
5 availability; 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; 42 United States Code section 1395ss) and any federal laws
9 or regulations pertaining to that section, so that this state may retain
10 its full authority to regulate minimum standards for medicare supplement
11 insurance.

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

25 C. EVERY INSURER THAT OFFERS MEDICARE SUPPLEMENT INSURANCE UNDER A
26 POLICY, CONTRACT, CERTIFICATE OR EVIDENCE OF COVERAGE PURSUANT TO
27 SUBSECTION D OF THIS SECTION SHALL PROVIDE GUARANTEED AVAILABILITY OF
28 COVERAGE TO ANY ELIGIBLE INDIVIDUAL WHO DESIRES TO ENROLL IN MEDICARE
29 SUPPLEMENT INSURANCE COVERAGE AND MAY NOT:

- 30 1. DECLINE TO OFFER THAT COVERAGE TO, OR DENY ENROLLMENT OF, THAT
31 ELIGIBLE INDIVIDUAL.
- 32 2. IMPOSE ANY PREEXISTING CONDITION EXCLUSION FOR THAT COVERAGE.
- 33 3. CHARGE AN ADDITIONAL PREMIUM FOR A PREEXISTING CONDITION.

34 ~~C.~~ D. Notwithstanding any other provision of this title, rules
35 adopted pursuant to this section apply to insurance ~~furnished~~ PROVIDED
36 under disability insurance policies, under subscription contracts of
37 hospital, medical, dental or optometric service corporations, under
38 certificates of fraternal benefit societies, under evidences of coverage
39 of health care services organizations and under coverages issued by any
40 other insurer, which policies, contracts, certificates, membership
41 coverages, evidences of coverage and coverages are delivered or issued for
42 delivery in this state on or after the effective date of rules adopted
43 pursuant to subsection A OF THIS SECTION. In adopting the rules required
44 by subsection A OF THIS SECTION, the director shall prescribe an effective
45 date of the rules that will allow insurers sufficient time to bring their
46 forms and practices into compliance with the requirements of the rule.