

H.137 – language regarding Medicare supplement insurance policies

1 Sec. A. 8 V.S.A. § 4062b is amended to read:

2 § 4062b. ~~MEDICARE SUPPLEMENTAL HEALTH SUPPLEMENT~~ INSURANCE
3 RATE REVIEW

4 (a) Within five business days after receiving any request to increase the premium
5 rate for a Medicare supplement insurance policy from the health insurance company,
6 hospital or medical service organization, or health maintenance organization issuing
7 the policy, the Department shall post information about the rate filing on the
8 Department’s website, including:

9 (1) the name of the health insurance company, hospital or medical service
10 organization, or health maintenance organization requesting the rate increase;

11 (2) the overall composite average rate increase requested;

12 (3) the increase requested by plan type;

13 (4) the date on which the proposed increase would take effect;

14 (5) the System for Electronic Rate and Form Filing (SERFF) tracking number
15 associated with the filing and a web address for accessing the filing electronically; and

16 (6) instructions for submitting public comments and the deadline for doing so.

17 (b) Within five business days ~~of~~ after receiving a request for approval of any
18 composite average rate increase in excess of ~~three~~ 10 percent, or any other coverage
19 changes ~~which~~ that the Commissioner determines will have a comparable impact on
20 cost or availability of coverage for a Medicare ~~supplemental~~ supplement insurance
21 policy issued by any ~~group or nongroup~~ health insurance company, hospital or medical
22 service organization, or health maintenance organization, with 5,000 or more total

1 lives in the Vermont Medicare supplement insurance market, the Commissioner shall
2 notify the Department of Disabilities, Aging, and Independent Living and the Office of
3 the Health Care Advocate of the proposed premium increase. A composite average
4 rate is the enrollment-weighted average rate increase of all plans offered by a carrier.

5 ~~(b)~~(c) Within five business days after receiving notification pursuant to subsection
6 ~~(a)~~(b) of this section, the Department of Disabilities, Aging, and Independent Living
7 shall inform the members of the Advisory Board established pursuant to 33 V.S.A. §
8 505 of the proposed premium increase.

9 ~~(e)~~(d)(1) The Commissioner shall not approve any request to increase Medicare
10 ~~supplemental~~ supplement insurance premium rates unless the amount of the rate
11 increase complies with the statutory standards for approval under sections 4062, 4513,
12 4584, and 5104 of this title. Any approved rate increase shall not be based on an
13 unreasonable change in loss ratio from the previous year, unless the Commissioner
14 makes written findings that such change is necessary to prevent a substantial adverse
15 impact on the financial condition of the insurer. In acting on such rate increase
16 requests, the Commissioner may deny the request, approve the rate increase as
17 requested, or approve a rate increase in an amount different from the increase
18 requested. A decision by the Commissioner other than an approval of the rate
19 requested may be appealed by the insurer, provided that the burden of proof shall be
20 on the insurer to show that the approved rate does not meet the statutory standards
21 established under this subsection.

22 (2) Before acting on the rate increase requested, the Commissioner may make
23 such examination or investigation as ~~he or she~~ the Commissioner deems necessary;

1 including where applicable the review process set forth in subdivision (3) of this
2 subsection.

3 (3) ~~In reviewing any Medicare supplement rate increase for which an
4 independent analysis has been performed pursuant to 33 V.S.A. § 6706 and wherein
5 the carrier's requested composite average increase, the independent expert's
6 recommended composite average rate increase, or the Department actuary's
7 recommended composite average rate increase differ by two percentage points or
8 more, the Commissioner shall hold a public hearing where the insurer, the
9 Department's actuary, the independent expert, any intervenor, and the public will have
10 the opportunity to present written and oral testimony and will be available to answer
11 questions of the Commissioner and those present. The hearing shall be noticed and
12 held at a time and place so as to facilitate public participation, and shall be recorded
13 and become part of the record before the Commissioner. In the Commissioner's
14 discretion, the hearing may be conducted through interactive. If the carrier's requested
15 composite average increase, the independent expert's recommended composite
16 average increase, or the Department actuary's recommended composite average
17 increase differs by less than two percentage points, the Department and the parties
18 shall confer by conference call, or by any other available media, to review the rate
19 requests and recommendations. However, a public hearing may be held at the
20 Commissioner's discretion for good cause shown.~~

21 (A) For any filing by a health insurance company, hospital or medical service
22 organization, or health maintenance organization with 5,000 or more total lives in the

1 Vermont Medicare supplement insurance market in which the requested composite
2 average rate increase exceeds 10 percent, the Commissioner shall:

3 (i) solicit public comment; and

4 (ii) hold a public hearing in accordance with the Department of Financial
5 Regulation’s applicable rules regarding administrative procedures if, not later than 30
6 days after the rate filing information is posted on the Department’s website pursuant to
7 subsection (a) of this section, a hearing is requested by the Department of Disabilities,
8 Aging, and Independent Living; by the Office of the Health Care Advocate; or by not
9 fewer than 25 policyholders whose premium rates would be affected by the requested
10 rate increase.

11 (B) For any filing that does not meet the criteria specified in subdivision (A)
12 of this subdivision (3), a public hearing may be held in the Commissioner’s discretion.

13 (C) In the Commissioner’s discretion, a hearing held pursuant to this
14 subdivision (3) may be conducted through a designated electronic meeting platform.

15 ~~(4) In any review held in accordance with this subsection, the Commissioner~~
16 ~~shall permit intervention by any person that the Commissioner determines will~~
17 ~~materially advance the interests of the insured individuals. The intervenor shall have~~
18 ~~access to, and may use the information of the independent expert appointed under 33~~
19 ~~V.S.A. § 6706. The reasonable and necessary cost of intervention as determined by the~~
20 ~~Commissioner shall be paid by the affected policyholders or certificate holders. The~~
21 ~~maximum payment shall be \$2,500.00 except when waived by the Commissioner for~~
22 ~~good cause shown. The \$2,500.00 maximum amount may be adjusted to reflect, at the~~
23 ~~Commissioner’s discretion, appropriate inflation factors. In any review held in~~

1 accordance with this section, the Commissioner shall permit intervention by any
2 person whom the Commissioner determines will materially advance the interests of the
3 individuals insured under the policy.

4 (5) Nonproprietary, relevant information in any Medicare supplement rate
5 filing, including any analysis by the Department’s actuary ~~and the independent expert,~~
6 shall be made available to the public upon request.

7 (d) For a Medicare supplement insurance policy with an effective date of January
8 1, the insurer shall file its premium rate request pursuant to this section not later than
9 July 1 of the preceding year. For a Medicare supplement insurance policy with an
10 effective date other than January 1, the insurer shall file its rate request pursuant to this
11 section not later than six months prior to the effective date of the policy.

12 Sec. B. REPEAL

13 33 V.S.A. § 6706 (Medicare supplement insurance; independent analysis) is
14 repealed.

15 Sec. C. EFFECTIVE DATE

16 Secs. A and B (Medicare supplement insurance) shall take effect on January 1,
17 2026.