

Secretary of State
NOTICE OF PROPOSED RULEMAKING HEARING*

A Statement of Need and Fiscal Impact accompanies this form.

Oregon Department of Consumer and Business Services, Insurance Division	836
Agency and Division	Administrative Rules Chapter Number
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Rules Coordinator	Address
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RULE CAPTION

Clarifying six month guarantee issue period and establishing "birthday rule" for Medicare supplement insurance.

December 22, 2011	1:30 PM*	Conf. Rm. E, Labor & Industries Bldg., 350 Winter St. NE, Salem	John Atkins
Hearing Date	Time	Location	Hearings Officer

***Note: The hearing will begin at 1:30 p.m. and end when all present who wish to testify have done so.**

Auxiliary aids for persons with disabilities are available upon advance request.

RULEMAKING ACTION

ADOPT: OAR 836-052-0143

AMEND: OAR 836-052-0138

REPEAL:

RENUMBER:

AMEND & RENUMBER:

Stat. Auth.: ORS 731.244, 743.010, 743.683 and 743.684

Other Auth

Stats. Implemented: ORS 743.010, 743.683 and 743.684

RULE SUMMARY

These proposed rules were developed in response to numerous complaints received by the Department of Consumer and Business Services regarding open enrollment periods and unexpected rate increases with respect to Medicare supplement policies. To address these complaints, the proposed rules:

- Clarify that for a person who receives "retroactive" eligibility for Medicare as a result of an appeal of an initial denial for eligibility, the six month open enrollment period begins after the person is notified of their eligibility, not on the date the person's eligibility has been backdated to.
- Adopt a "birthday rule" for Medicare supplement policies to allow an individual the opportunity to change Medicare supplement plans (as long as the new policy has the same or lesser benefits) with guaranteed issue and nondiscrimination in rating once per year for a period of thirty days beginning on the individual's birthday.

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing the negative economic impact of the rule on business.

December 29, 2011

Last Day for Public Comment (Last day to submit written comments to the Rules Coordinator)

(Signed)	Berri Leslie, Deputy Insurance Administrator	November 10, 2011
Signature	Printed name	Date

*Hearing Notices published in the Oregon Bulletin must be submitted by 5:00 pm on the 15th day of the preceding month unless this deadline falls on a weekend or legal holiday, upon which the deadline is 5:00 pm the preceding workday. ARC 920-2005