

AMENDMENTS TO LB852

Introduced by Banking, Commerce and Insurance.

1 1. Strike the original sections and insert the following new
2 sections:

3 Section 1. Section 44-3601, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 44-3601 Sections 44-3601 to 44-3610 and sections 3 to 5 of this act
6 shall be known and may be cited as the Medicare Supplement Insurance
7 Minimum Standards Act.

8 Sec. 2. Section 44-3602, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 44-3602 For purposes of the Medicare Supplement Insurance Minimum
11 Standards Act:

12 (1) Applicant shall mean:

13 (a) In the case of an individual medicare supplement policy, the
14 person who seeks to contract for insurance benefits; and

15 (b) In the case of a group medicare supplement policy, the proposed
16 certificate holder;

17 (2) Certificate shall mean any certificate delivered or issued for
18 delivery in this state under a group medicare supplement policy;

19 (3) Certificate form shall mean the form on which the certificate is
20 delivered or issued for delivery by the issuer;

21 (4) Director shall mean the Director of Insurance;

22 (5) Issuer shall include insurance companies, fraternal benefit
23 societies, health care service plans, health maintenance organizations,
24 and any other entities delivering or issuing for delivery in this state
25 medicare supplement policies or certificates;

26 (6) Medicare shall mean the Health Insurance for the Aged Act, Title
27 XVIII of the Social Security Amendments of 1965, as then constituted or

1 later amended;

2 (7) Medicare-approved amount shall mean the current payment rate
3 listed in the applicable fee schedule established by the federal Centers
4 for Medicare and Medicaid Services;

5 (8) {7} Medicare supplement policy shall mean a group or individual
6 policy of sickness and accident insurance or a subscriber contract of
7 health maintenance organizations, other than a policy issued pursuant to
8 a contract under section 1876 of the federal Social Security Act, 42
9 U.S.C. 1395 et seq., or an issued policy under a demonstration project
10 specified in 42 U.S.C. 1395ss(g)(1), which is advertised, marketed, or
11 designed primarily as a supplement to reimbursements under medicare for
12 the hospital, medical, or surgical expenses of persons eligible for
13 medicare;—and

14 (9) {8} Policy form shall mean the form on which the policy is
15 delivered or issued for delivery by the issuer; and —

16 (10) Supplier shall have the same meaning as defined in 42 C.F.R.
17 400.202, including an entity or individual that sells or rents Medicare
18 Part B covered durable medical equipment, prosthetics, orthotics, and
19 supplies to medicare beneficiaries.

20 Sec. 3. A supplier that is a nonparticipating supplier in the
21 medicare program and who does not accept medicare assignment shall not
22 charge a Nebraska medicare beneficiary an amount greater than one hundred
23 fifteen percent of the medicare-approved amount for durable medical
24 equipment, prosthetics, orthotics, and supplies. Nothing in this section
25 shall prohibit a supplier from charging a deductible or coinsurance
26 amount as required by medicare.

27 Sec. 4. An issuer of a medicare supplement policy or certificate
28 shall not be required to reimburse a supplier in an amount greater than
29 the amount provided in section 3 of this act. Nothing in this section
30 shall be construed to prevent an issuer from negotiating the level and
31 type of reimbursement with a supplier for covered durable medical

1 equipment, prosthetics, orthotics, or supplies.

2 Sec. 5. (1) An issuer that makes a medicare supplement policy or
3 certificate available to an individual who is sixty-five years of age and
4 eligible for medicare benefits as described in 42 U.S.C. 1395c(1), as
5 such section existed on January 1, 2024, shall make at least one medicare
6 supplement policy or certificate that meets the requirements of the
7 Medicare Supplement Insurance Minimum Standards Act available to an
8 individual who is under sixty-five years of age and eligible for and
9 enrolled in medicare by reason of disability as described in 42 U.S.C.
10 1395c(2), as such section existed on January 1, 2024.

11 (2) Premium rates for medicare supplement insurance policies or
12 certificates may differ between an individual who qualifies for medicare
13 who is sixty-five years of age or older and an individual who qualifies
14 for medicare by reason of disability and who is under sixty-five years of
15 age. Such differences in premiums shall not be excessive, inadequate, or
16 unfairly discriminatory and shall be based on sound actuarial principles
17 and be reasonable in relation to the benefits provided. The premium for
18 an individual who is under sixty-five years of age shall not exceed one
19 hundred fifty percent of the premium for a similarly situated individual
20 who is sixty-five years of age.

21 (3) An individual who is under sixty-five years of age and is
22 eligible for a medicare supplement policy or certificate by reason of
23 disability as described in subsection (1) of this section shall be
24 subject to the same open enrollment rules applicable to an individual who
25 is sixty-five years of age and eligible for a medicare supplement policy
26 or certificate as described in subsection (1) of this section beginning
27 on the first day of the first month that the individual turns sixty-five
28 years of age.

29 Sec. 6. Section 5 of this act becomes operative on January 1, 2025.
30 The other sections of this act become operative on their effective date.

31 Sec. 7. Original sections 44-3601 and 44-3602, Reissue Revised

1 Statutes of Nebraska, are repealed.