

LEGISLATURE OF NEBRASKA  
ONE HUNDRED EIGHTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 852**

Introduced by Jacobson, 42.

Read first time January 03, 2024

Committee: Banking, Commerce and Insurance

1 A BILL FOR AN ACT relating to the Medicare Supplement Insurance Minimum  
2 Standards Act; to amend sections 44-3601 and 44-3602, Reissue  
3 Revised Statutes of Nebraska; to provide limitations regarding  
4 reimbursement for durable medical equipment, prosthetics, orthotics,  
5 and supplies; to repeal the original sections; and to declare an  
6 emergency.

7 Be it enacted by the people of the State of Nebraska,

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

3 44-3601 Sections 44-3601 to 44-3610 and sections 3 and 4 of this act  
4 shall be known and may be cited as the Medicare Supplement Insurance  
5 Minimum Standards Act.

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

8 44-3602 For purposes of the Medicare Supplement Insurance Minimum  
9 Standards Act:

10 (1) Applicant shall mean:

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

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

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

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

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

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

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

27 (7) Medicare approved amount shall mean the current payment rate  
28 listed in the applicable fee schedule for durable medical equipment,  
29 prosthetics, orthotics, and supplies established by the federal Centers  
30 for Medicare and Medicaid Services;

31 (8) {7} Medicare supplement policy shall mean a group or individual

1 policy of sickness and accident insurance or a subscriber contract of  
2 health maintenance organizations, other than a policy issued pursuant to  
3 a contract under section 1876 of the federal Social Security Act, 42  
4 U.S.C. 1395 et seq., or an issued policy under a demonstration project  
5 specified in 42 U.S.C. 1395ss(g)(1), which is advertised, marketed, or  
6 designed primarily as a supplement to reimbursements under medicare for  
7 the hospital, medical, or surgical expenses of persons eligible for  
8 medicare;~~and~~

9 (9) (8) Policy form shall mean the form on which the policy is  
10 delivered or issued for delivery by the issuer; and -

11 (10) Supplier has the same meaning as defined in 42 C.F.R. 400.202,  
12 including an entity or individual that sells or rents Medicare Part B  
13 covered durable medical equipment, prosthetics, orthotics, and supplies  
14 to medicare beneficiaries.

15 Sec. 3. A supplier that is not participating in the medicare  
16 program and who does not accept medicare assignment shall not charge a  
17 Nebraska medicare beneficiary an amount greater than fifteen percent of  
18 the medicare approved amount. Nothing in this section shall prohibit a  
19 supplier from charging a deductible or coinsurance amount as required by  
20 medicare.

21 Sec. 4. An issuer of a medicare supplement policy or certificate  
22 shall not reimburse a supplier in an amount greater than the amount  
23 provided in section 3 of this act.

24 Sec. 5. Original sections 44-3601 and 44-3602, Reissue Revised  
25 Statutes of Nebraska, are repealed.

26 Sec. 6. Since an emergency exists, this act takes effect when  
27 passed and approved according to law.