

NOTICE OF PROPOSED CHANGES REGARDING STATE REGULATION OF MEDICARE
SUPPLEMENT PRODUCTS

BRIEF DESCRIPTION

The Alaska Division of Insurance proposes to amend regulations regarding Medicare Supplement Products to comply with the requirements of 42 USC 1305 The Medicare Access and CHIP Reauthorization Act of 2015 (MACRA).

The Alaska Division of Insurance proposes to adopt regulation changes in Title 3, Chapter 28 of the Alaska Administrative Code including the following:

3 AAC 28 is proposed to be amended as follows:

3 AAC 28.456(e) is proposed to be changed to correct a citation for the location of the list of definitions.

3 AAC 28.456(g)(7) is proposed to be changed such that on or after January 1, 2020, an issuer may offer a standardized Medicare supplement high deductible plan "G" to a person who was eligible for Medicare before January 1, 2020.

3 AAC 28.457(c) is proposed to add a new subsection that effective January 1, 2020 an issuer may not make plans "C", "F", or "F" with high deductible available to a newly eligible Medicare beneficiary.

3 AAC 28.459 is proposed to add a new section for minimum benefit standards for 2020 standardized Medicare supplement benefit policies or certificates issued with an effective date of coverage on or after January 1, 2020.

3 AAC 28.461 is proposed to add a new section for the standard Medicare supplement benefit plans for 2020 standardized Medicare supplement benefit policies or certificates issued with an effective date of coverage on or after January 1, 2020.

3 AAC 28.490 is proposed to repeal and readopt the required disclosure provisions to include a Medicare supplement policy or certificate sold with an effective date of coverage on or after January 1, 2020. The outline of coverage provided to an applicant under this section consists of four parts: a cover page, premium information, disclosure pages, and charts displaying the features of each benefit plan offered by the insurer. The required disclosure provisions also include the dollar amount of the inpatient hospital deductible and all coinsurance amounts for plans and the dollar amount of the Medicare Part B deductible which are determined annually by the secretary of the United States Centers for Medicare and Medicaid Services. **3 AAC 28.510** is proposed to be changed to add a new paragraph to define a "newly eligible Medicare beneficiary" to have the meaning given under the Medicare Access and CHIP Reauthorization Act of 2015.

You may comment on the proposed regulation changes, including the potential costs to private persons of complying with the proposed changes, by submitting written comments to the Division of Insurance; Attention: Sarah Bailey; P.O. Box 110805; Juneau, AK 99811-0805; by e-mail to sarah.bailey@alaska.gov or by fax to (907) 465-3422. Comments may also be submitted through the Alaska Online Public Notice System at <http://aws.state.ak.us/OnlinePublicNotices>. All comments must be received **no later than 5:00 p.m., Monday, November 5, 2018**.

Oral or written comments also may be submitted at a hearing to be held on **Wednesday, October 31, 2018** in Conference Room B on the ninth floor of the State Office Building, located at 333 Willoughby Ave., Juneau, Alaska. The hearing will be held from **11:00 AM – 12:00 PM** and might be extended to accommodate those present before **12:00 PM** who did not have an opportunity to comment. If you are unable to attend the meeting in person and would like to participate by teleconference, please call 1-800-315-6338 and enter the access code 42070 followed by #.

You may submit written questions relevant to the proposed action to the Division of Insurance; Attention: Sarah Bailey; P.O. Box 110805, Juneau, AK 99811-0805 or by e-mail to sarah.bailey@alaska.gov. **The questions must be received at least 10 days before the end of the public comment period.** The division will aggregate its response to substantially similar questions and make the questions and responses available on the division's website at <https://www.commerce.alaska.gov/web/ins/Resources/Notices.aspx> and on the Alaska Online Public Notice System. The division may, but is not required to, answer written questions received after the 10-day cut-off date and before the end of the comment period.

If you are a person with a disability who needs a special accommodation in order to participate in the process, please contact Laura Watson at laura.watson@alaska.gov or (907) 465-2597 or TDD (907) 465-5437 no later than **Monday, October 22, 2018** to ensure that any necessary accommodations can be provided.

A copy of the proposed regulation changes is available on the division's website at <https://www.commerce.alaska.gov/web/ins/Resources/Notices.aspx> or on the Alaska Online Public Notice System, by contacting Sarah Bailey at sarah.bailey@alaska.gov or by calling (907) 269-7900 in Anchorage or (907) 465-2515 in Juneau.

After the public comment period ends, the Division of Insurance will either adopt the proposed regulation changes or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulation may be different from that of the proposed regulation. **YOU SHOULD COMMENT DURING THE TIME ALLOWED IF YOUR INTERESTS COULD BE AFFECTED.** Written comments received are public records and are subject to public inspection.

Statutory Authority: AS 21.06.090; AS 21.42.130; AS 21.96.060

Statutes Being Implemented, Interpreted, or Made Specific: AS 21.06.090; AS 21.42.130; AS 21.96.060

Fiscal information: The proposed regulation changes are not expected to require an increased appropriation.

DATE: October 2, 2018

A handwritten signature in blue ink that reads "Lori Wing-Heier". The signature is written in a cursive style and is positioned above a horizontal line.

Lori Wing-Heier
Director of Insurance