

# State Corporation Commission

## 2020 Fiscal Impact Statement

1. **Bill Number:** SB250

**House of Origin**    ☒ Introduced    ☐ Substitute    ☐ Engrossed

**Second House**    ☐ In Committee    ☐ Substitute    ☐ Enrolled

2. **Patron:** Edwards

3. **Committee:** Commerce and Labor

4. **Title:** Medicare supplement policies for certain individuals under age 65.

5. **Summary:** Requires insurers issuing Medicare supplement policies in the Commonwealth to offer the opportunity of enrolling in a Medicare supplement policy to any individual under age 65 who resides in the Commonwealth, is enrolled in Medicare Part B, and is eligible for Medicare by reason of disability. The provisions of the measure are applicable to health plans and health maintenance organizations.

6. **Budget Amendment Necessary:** No

7. **Fiscal Impact Estimates:** No fiscal impact on the State Corporation Commission

8. **Fiscal Implications:** None on the State Corporation Commission

9. **Specific Agency or Political Subdivisions Affected:** State Corporation Commission and the Commission's Bureau of Insurance

10. **Technical Amendment Necessary:** No

11. **Other Comments:** There is only one insurance carrier which writes Medicare Supplement for individuals under age 65 and disabled and in a restricted service area of the Commonwealth. In 2015, similar legislation, Senate Bill 760 was referred to the Health Insurance Reform Commission (HIRC) for review. The HIRC asked the State Corporation Commission Bureau of Insurance (Bureau) to survey the 32 insurers offering Medicare Supplement policies in Virginia to persons age 65 or older to determine the effect of such legislation on their willingness to continue offering such policies and remain involved in the Medicare Supplement market if legislation were enacted that required them to also offer Medicare Supplement policies to eligible persons under age 65. The 30 carriers that responded to the survey indicated that they would stay in the market, and write insurance for the under age 65 and disabled population, but at costs estimated from one and one half to five times higher than for individuals aged 65 or greater. Similar legislation was introduced in 2016 and 2017, but was not enacted.

Date: 1/12/20/V. Tompkins