

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

H

1

HOUSE BILL 1194*

Short Title: Medicare Supplement Policies.

(Public)

Sponsors: Representatives Cocklereece and Dockham.

Referred to: Insurance.

May 16, 1996

A BILL TO BE ENTITLED

1 AN ACT TO AMEND THE MEDICARE SUPPLEMENT INSURANCE LAWS TO
2 COMPLY WITH THE FEDERAL SOCIAL SECURITY AMENDMENTS OF 1994
3 AS RECOMMENDED BY THE LEGISLATIVE RESEARCH COMMISSION'S
4 COMMITTEE ON INSURANCE AND INSURANCE-RELATED ISSUES.

5 The General Assembly of North Carolina enacts:

6 Section 1. Article 54 of Chapter 58 of the General Statutes is amended by
7 adding a new section to read:

8 **"§ 58-54-12. Rules for compliance with federal law and regulations.**

9 The Commissioner may adopt rules necessary to conform Medicare supplement
10 policies and certificates to the requirements of federal law and regulations, including:

- 11 (1) Requiring refunds or credits if the policies or certificates do not meet
12 loss ratio requirements.
13 (2) Establishing a uniform methodology for calculating and reporting loss
14 ratios.
15 (3) Assuring public access to policies, premiums, and loss ratio information
16 of issuers of Medicare supplement insurance.
17 (4) Establishing a process for approving and disapproving policy forms and
18 certificate forms and proposed premium increases.
19

- 1 (5) Establishing procedures for holding public hearings before approval of
2 premium increases.
- 3 (6) Establishing standards for Medicare Select policies and certificates."
4 Sec. 2. This act is effective upon ratification and shall apply to Medicare
5 supplement policies issued or renewed on or after October 1, 1996.