| 1. Overview of Medicare Supplement Plans |
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Medicare Supplement (Medigap) plans includes standardized plans, prestandardized plans, older standardized plans available for renewal only, plans in states with Medigap waivers, SELECT plans, and high-deductible plans.

- Standardized plans
- Prestandardized plans
- Older Standardized plans
- Medigap Waiver plans
- Select plans
- High-deductible plans
Medicare Supplement (Medigap) plans includes standardized plans, prestandardized plans, older standardized plans available for renewal only, plans in states with Medigap waivers, SELECT plans, and high-deductible plans.

- **Standardized plans** (Plan A, B, C, D, F, G, K, L, M, and N)
  - Prestandardized plans
  - Older standardized plans
  - Medigap Waiver plans
  - Select plans
  - High-deductible plans
Medicare Supplement Plans

Medicare Supplement (Medigap) plans includes standardized plans, prestandardized plans, older standardized plans available for renewal only, plans in states with Medigap waivers, SELECT plans, and high-deductible plans.

• Standardized plans

• **Pre-standardized plans** (sold before July 1992)

• Older standardized plans

• Medigap Waiver plans

• Select plans

• High-deductible plans
Medicare Supplement (Medigap) plans includes standardized plans, prestandardized plans, older standardized plans available for renewal only, plans in states with Medigap waivers, SELECT plans, and high-deductible plans.

- Standardized plans
- Prestandardized plans

- **Older standardized plans** (Plan E, H, I, and J)
  
  - Medigap Waiver plans
  - Select plans
  - High-deductible plans
Medicare Supplement (Medigap) plans includes standardized plans, prestandardized plans, older standardized plans available for renewal only, plans in states with Medigap waivers, SELECT plans, and high-deductible plans.

- Standardized plans
- Prestandardized plans
- Older standardized plans

- **Medigap Waiver plans** (MN, MA and WI)
- Select plans
- High-deductible plans
Medicare Supplement (Medigap) plans includes standardized plans, prestandardized plans, older standardized plans available for renewal only, plans in states with Medigap waivers, SELECT plans, and high-deductible plans.

- standardized plans
- Prestandardized plans
- Older standardized plans
- Medigap Waivers
- **Select plans** (limited network)
- High-deductible plans
Medicare Supplement (Medigap) plans includes standardized plans, prestandardized plans, older standardized plans available for renewal only, plans in states with Medigap waivers, SELECT plans, and high-deductible plans.

- Standardized plans
- Prestandardized plans
- Older standardized plans
- Medigap Waiver plans
- Select plans
- **High-deductible plans** (Plan F and J)
Minnesota is a Medicare Supplement (Medigap) waiver state. Standardized Medigap plan designs do not apply to our state because we designed and enacted our own standardized Medigap plans in 1980, prior to the enactment of the federal standardization requirements. Our plans designs are similar to Medicare Standardized plan designs, but they are different because they offer additional consumer protections, mandated benefits and are community rated.

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Minnesota Statutory Requirement:

62A.31 Medicare Supplement Benefits; Minimum Standards...
Subd. 1j. Filing and approval... The policy must have been filed with and approved by the department as meeting all the requirements of sections 62A.3099 to 62A.44.

MINNESOTA PLAN NAMES:
• 62A.315: Extended Basic Supplement Plan
• 62A.316: Basic Medicare Supplement Plan
• 62A.3161: Medicare Supplement Plan with 50 Percent Coverage
• 62A.3162: Medicare Supplement Plan with 75 Percent Coverage
• 62A.3163: Medicare Supplement Plan with 50 Percent Part A Deductible Coverage
• 62A.3164: Medicare Supplement Plan with $20 and $50 Co-Payment Medicare Part B Coverage
• 62A.3165: Medicare Supplement Plan with High Deductible Coverage
• 62A.318: Medicare Select Policies and Certificates
Overview of State Mandated Benefits

- As a Waiver State, Minnesota requires all Medicare-related coverages to provide state mandated benefits:
  - Reconstructive Surgery (62A.25, Subd. 2 (c))
  - Diabetes (62A.3093, Subd. 1)
  - Lyme Disease (62A.265, Subd. 1)
  - Ventilator-Dependent Services (62A.155, Subd. 2)
  - Scalp Hair Prosthesis (62A.28, Subd. 2)
  - Outpatient Services (62A.153)
  - Phenylketonuria Treatment (62A.26)
  - Prostate Cancer Screening (62Q.50)
  - Cancer Diagnostic Procedures (62A.30, Subd. 2)
  - Dental and Podiatric Coverage (62A.043)
  - Mental Health Coverage (62Q.53)
  - Court-Ordered Mental Health Services (62Q.535)
  - Off-Label Drug Use (62Q.525)
  - Emergency Services (62Q.55)
  - Continuity of Care (62A.31, Subd. 1n)
Overview of State Mandated Benefits

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  - Off-Label Drug Use (62Q.525)
  - Emergency Services (62Q.55)
  - Continuity of Care (62A.31, Subd. 1n)
As a Waiver State, Minnesota requires the following Cover Sheet and Consumer Disclosures:

- **Corporate Name and Contact Information** (60A.08, Subd. 1) *(Note: No Brackets indicating variability)*
- **Minnesota Plan Name** (62A.31, Subd. 2 (1): 62A.315; 62A.316; 62A.3161; 62A.3162; 62A.3163; 62A.3164; 62A.3165; or 62A.318 *(Note: Federal Alpha Plan Names are not allowed in Minnesota) *(Note also: Provide a separate Outline of Coverage for each Plan that summarizes the principle benefits in the policy)*
- **Categories of Coverage** (62A.31, Subd. 2(2) *(Note: Both Basic and Extended Basic Plans must be offered in Minnesota)*
- **Medical Expenses** (62A.39 (b) *(Note: Complete disclosure)*
- **Prescription Drugs** (62A.31, Subd. 1t) *(Note: Complete disclosure)*
- **Right to Return Policy** (62A.39 (g) *(Note: Issuer address must be included)*
- **Loss Ratio Disclosure** (62A.39 (e) *(Note: No Brackets indicating variability)*
• As a Waiver State, Minnesota requires the following Consumer Disclosures:

  • **Guaranteed Renewability** (62A.31, Subd. 1k) *(Note: Policy must guarantee renewability)*
  
  • **Deterioration of Health** (62A.31, Subd. 1c) *(Note: Complete disclosure)*
  
  • **Termination Reasons** (62A.31, Subd. 1k (b)) *(Note: Non-payment of premium and material misrepresentation only)*
  
  • **Guaranteed Issue** (62A.31, Subd. 1u) *(Note: No medical underwriting during open enrollment and guaranteed issue periods)*
  
  • **Premium Changes** (62A.31, Subd. 1m) *(Note: Medicare cost sharing changes only without prior approval filing)*
  
  • **Replacement** (62A.39 (h)) *(Note: Must waive preexisting conditions, waiting periods, elimination periods, and probationary periods)*
  
  • **Community Rate** (62A.31, Subd. 1r) *(Note: No rate changes based on age, health status or other conditions)*
Community Rating in Minnesota

• Minnesota Statute 62A.31 Subd 1r. Community Rate. Each health maintenance organization, health service plan corporation, insurer, or fraternal benefit society that sells Medicare-related coverage shall establish a separate community rate for that coverage. The same community rate must apply to newly issued coverage and to renewal coverage.
Medicare Access and CHIP Reauthorization Act of 2015 (MACRA)
The Medicare Access and CHIP Reauthorization Act of 2015 ("MACRA") was signed into law on April 16, 2015. Section 401 of MACRA prohibits the sale of Medigap policies that cover Part B deductibles to “newly eligible” Medicare beneficiaries defined as those individuals who: (a) have attained age 65 on or after January 1, 2020; or (b) first become eligible for Medicare due to age, disability or end-stage renal disease, on or after January 1, 2020.

All states, including Medicare Supplement waiver states, must timely adopt the changes necessary to implement MACRA to be effective January 1, 2020.
62A.3099 Subd. 18s. Newly Eligible Individual:

This law was amended to define a newly eligible individual as one who is eligible for Medicare on or after January 1, 2020, because the individual has attained age 65 or is entitled to benefits under Medicare due to disability or otherwise.

62A.315 (b); 62A.316 (c); 62A.3161 (b); 62A.3162 (b); 62A.3163 (b); 62A.316:4 (b); and 62A.3165 (b):

These laws were amended to prohibit Minnesota’s Medicare supplemental policy from providing coverage for any portion of the Medicare Part B deductible for a newly eligible individual.

62A.318 Subd. 17 (b) Types of Plans. Made a clarifying change.

62E.07 (b) Qualified Medicare Supplement Plan. Prohibits Medicare supplemental policy from providing coverage for any portion of the Medicare Part B deductible for a newly eligible individual.

Effective Date. The new sections in law were effective the day following final enactment, May 18, 2019, and apply to Medicare Supplemental policies issued or sold on or after January 1, 2020 to a newly eligible individual.
Community Rating and MACRA

• One rate per plan per geography
• One exception: tobacco vs non-tobacco plan rates
• MACRA does not create separate risk or rating pools
• There should be little difference in rate between plans with and without the Part B Deductible
• Rate filing and rebate reporting should be pooled
2020 Medicare Supplement Filings
Updated Medicare Supplement Checklist

• Updated in 2019
• This can expedite the review process
• Includes legislative changes
• Review tool that Commerce analysts utilize

Medicare Supplement Regulatory Compliance Checklist
ERBW: 5/1/2019

COMPANY/FILING INFORMATION

SERP Tracking Number:
If form is being revised, provide previously approved SERP Tracking number

Corresponding Rate Filing SERP Tracking Number:

Type of Insurance (Individual/Group):

Type of Form (Policy, Master Group Policy, Application, Certificate of Coverage, Enrollment Forms, Outline of Coverage, Schedule of Benefits, etc.)
Provide the SERP filing to all associated forms in use (Policy, Outline of Coverage, Certificate of Coverage, Schedule of Benefits, Application, Master Group Contract, Advertisements, Enrollment forms that are currently open for review)

If the previously approved form is not found within SERP, attach a copy of the document under supporting documentation.

The following information has been compiled as a Checklist Guide for Commerce Department analysts to use in reviewing Medicare product filings submitted to the Department for approval in Minnesota. The Checklist Guide is designed as an internal Commerce Department resource to outline certain state or federal laws that would apply to provisions typically found in Medicare Supplement form filings. It may be periodically updated to reflect statutory changes. Additional state or federal law requirements may exist to the extent they apply to provisions not typically found in policy forms or certificates. Compliance with these additional requirements, if applicable to the product filing, would still be required even though they are not listed in this Checklist Guide.

NOTE: While the Department is making this Checklist Guide publicly available, this is meant only to be a guide to assist you with your product filings. This list is in no way exhaustive or a complete statement of all requirements and provisions that might be applicable, and does not replace the form compliance review process. Please note that the Checklist Guide may only include part of an applicable law or regulation. Therefore, companies or health plans should refer to all relevant Minnesota statutes and rules as well as applicable federal laws in developing product filings that they submit to the Department for approval. To the extent the provisions in this Checklist Guide conflict with state or federal law, companies making filings should comply with the language of state or federal law. The Checklist Guide is a representation of general provisions and should not be construed as a legal opinion or advice.

6/12/2019
mn.gov/commerce
Updated Medicare Supplement Checklist

• In certain sections we ask for the form and page number that correspond to state and federal statutes to show compliance

• The completed checklist can be uploaded under the Supporting Documentation Tab

• The checklist is estimated to be published by early next week.
Disapproval of Filings – New process

• After 15 objections are reached, each filing is reviewed on a case-by-case basis to determine if disapproval is necessary. Commerce will reach out to the issuer to discuss next steps.

• If the filing has significant errors, Commerce will disapprove the filing.

• If the filing is disapproved, the issuer now has more time to review federal and state laws to show compliance for filing resubmission.
Disapproval of Filings – New process

15 or more objections found

Review stops and analyst has manager review objections

Manager reaches out to issuer to discuss next steps
Medicare Supplement
Commonly Seen Filing Errors
**Commonly Seen Filing Errors: Alpha Plan Names**

### Sample Alpha Plan Names Objections:

- “...[Medicare Supplement Plan N]...”
- “... [$20] and [$50] PART B CO-PAYMENT MEDICARE SUPPLEMENT POLICY (PLAN N)...”
- **Note:** Federal Medigap “Plan N” pays 100% of the Part B coinsurance, except for a copayment of up to $20 for some office visits and up to a $50 copayment for emergency room visits that don’t result in inpatient admission.

### Accepted Minnesota Plan Name Revisions:

- “...Medicare Supplement Plan with $20 and $50 Co-Payment Medicare Part B Coverage (Plan N)...”
- “...Medicare Supplement Plan with $20 and $50 Co-Payment Medicare Part B Coverage (Similar to Plan N)...”
Commonly Seen Filing Errors: Alpha Plan Names (cont.)

Sample Alpha Plan Names Objections:

• “...If enrolling in a Medicare Select policy, I understand that [Insurer] offers Medicare Supplement plans which do not restrict my use of hospitals. At any time, I have the right to purchase [Insurer] Standard Medicare Supplement Plans A, C, D, F, High Deductible F, G and N...”

Accepted Minnesota Plan Name Revisions:

• “...If enrolling in a Medicare Select policy, I understand that [Insurer] offers Medicare Supplement plans which do not restrict my use of hospitals. At any time, I have the right to purchase the Minnesota Extended Basic Medicare Supplement Plan; Basic Medicare Supplement Plan; Medicare Supplement Plan with 50 Percent Coverage; Medicare Supplement Plan with 75 Percent Coverage; Medicare Supplement Plan with 50 Percent Part A Deductible Coverage; Medicare Supplement Plan with $20 and $50 Co-Payment Medicare Part B Coverage; or Medicare Supplement Plan with High Deductible Coverage...”
Commonly Seen Filing Errors: Loss Ratio Disclosure

Minnesota Statutory Loss Ratio Disclosure Requirements:

• 62A.021 HEALTH CARE POLICY RATES...
  Subd. 3. Loss ratio disclosure...Notice: This disclosure is required by Minnesota law. This policy or certificate is expected to return on average (fill in anticipated loss ratio approved by the commissioner) percent of your premium dollar for health care. The lowest percentage permitted by state law for this policy or certificate is (fill in applicable minimum loss ratio)...

• 62A.36 LOSS RATIO STANDARDS...
  Subdivision 1. Loss ratio standards and refund provisions... (1) at least 75 percent of the aggregate amount of premiums earned in the case of group policies; and (2) at least 65 percent of the aggregate amount of premiums earned in the case of individual policies.

Sample Loss Ratio Disclosure Objection:

“...NOTICE: THIS DISCLOSURE IS REQUIRED BY MINNESOTA LAW. THIS POLICY OR CERTIFICATE IS EXPECTED TO RETURN ON AVERAGE [67.3] PERCENT OF YOUR PREMIUM DOLLAR FOR HEALTH CARE. THE LOWEST PERCENTAGE PERMITTED BY STATE LAW FOR THIS POLICY OR CERTIFICATE IS [65] PERCENT...”

Please be advised that Minnesota does not allow loss ratio disclosure information to be bracketed as variable. A change in the loss ratio is similar to a change in rate in that it triggers the need for a new rate filing. In addition, a bracket with one number in the loss ratio, or a carat, is unacceptable because it does not correspond with your rate filing which includes a high and low loss ratio number. Please remove the brackets indicating variability and provide the loss ratio approved within your rate filing. If the loss ratio is not approved, remove the brackets and in it's place provide the range included within the rate filing. Once the numbers are approved, we will expect you to update these numbers to correspond.
Commonly Seen Filing Errors: Outline of Coverage

Minnesota Statutory Requirements:

• **62A.31 Medicare Supplement Benefits; Minimum Standards**... Subd. 1e. Delivery of outline of coverage... An outline of coverage as provided in section **62A.39** must be delivered at the time of application...

• **62A.39 DISCLOSURE.** No individual Medicare supplement plan shall be delivered or issued in this state and no certificate shall be delivered under a group Medicare supplement plan delivered or issued in this state unless the plan is shown on the cover page and an outline containing at least the following information in no less than 12-point type is delivered to the applicant at the time the application is made:... (a) A description of the principal benefits and coverage provided in the policy...

Sample Outline of Coverage Objection:

“...With respect to the Basic Medicare Supplement Plan Outline of Coverage, please remove pages 10 through 34 of 34 that relate to the principal benefits and coverage provided in other plans. Each Minnesota Medicare Supplement Plan must have a separate Outline of Coverage describing the principal benefits and coverage provided in the policy and only one Minnesota Plan with the corresponding Outline of Coverage may be submitted per filing...”
Commonly Seen Filing Errors: No Longer Offering Extended Basic Plan

• MACRA does not change the plans Minnesota offers
• State law requires the offering of both Basic and Extended Basic
  • 62A.31 Subd. 1a
  • 62A.31 Subd 2. General Coverage (3)
Question:
If an enrollee is eligible for Medicare prior to January 1, 2020 and enrollees into a post-MACRA Medicare Supplement plan, could they later purchase a pre-MACRA plan?

Answer:
Yes. Those enrolled prior to January 1, 2020 may keep their plan (pre-MACRA), purchase or enrollee into a post-MACRA plan, or move back to a pre-MACRA plan if allowed per eligibility requirements.
Question:
If an enrollee has a birthday on January 1, 2020, will his or her coverage will start on December 1, 2019?

Answer:
No. The legislative changes on both the federal and state levels define “newly eligible” as someone who becomes Medicare eligible on January 1, 2020 or after.
Question/Statement:

The new MACRA conformity language added to MN’s Medicare Supplement Plan laws, “A Medicare supplement plan must provide the benefits contained in this section, but must not provide coverage for 100 percent or any portion of the Medicare Part B deductible to a newly eligible individual” did not alter what services are considered Part B or whether a service is subject to the Part B deductible.

Answer:

Correct. Medicare determines what services are considered Part B, and what services must apply to the Part B deductible. Minnesota’s Medicare Supplement laws map out what the plans will cover over and beyond what is covered by Medicare, or what coverages apply to items not covered by Medicare. Overall, MACRA is changing our Minnesota Medicare Supplement plan designs by prohibiting plans from covering Part B medical services, which are subject to the Part B deductible, until the deductible is met.
Question: If an issuer decides to start offering a new Medicare Supplement plan in 2020, are they required to offer plans designs with and without MACRA conformity requirements?

Answer: Yes. If an issuer starts offering a new Medicare Supplement plan in 2020, they must offer plan designs with and without the MACRA conformity.
Thank You!

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Maybeth Moses

Sherri Mortensen Brown