



INSURANCE COMMISSIONER  
State of Oklahoma

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**BULLETIN NO. LH 2017-02**

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**To: All Life & Health Insurance Companies and Health Maintenance Organizations**

**Re: OAC 365:10-5-129(d)**

**From: Oklahoma Insurance Department**

**Date: September 7, 2017**

Effective September 15, 2017, insurance carriers issuing Medicare supplement policies in the State of Oklahoma may not charge a premium rate for a disabled person that exceeds the lowest available aged premium rate for such plan.

During the 2017 legislative session the Oklahoma Insurance Department amended OAC 365:10-5-129 (d). The amended rule provision requires insurance carriers selling in the Medicare Supplement market to offer at least one of the ten standardized Medicare Supplement plans to all applicants who qualify by reason of disability at a premium level that is ***no higher*** than the lowest cost available standardized plan made available to individuals on Medicare due to disability. This rule change will specifically apply to new applicants.

Federal law permits individuals who qualify for Medicare before age 65 another enrollment period at age 65. This allows Medicare beneficiaries a new opportunity to obtain Medicare Supplemental coverage with expanded benefits and at a potentially less expensive premium.

The Department would also like to remind carriers of the requirements under OAC 365:10-5-131(c)(2) dealing with annual filing of premium rates in the Medicare supplement market. This rule requires the filing of premium rates "*as soon as practicable, but prior to the effective date of enhancements in Medicare benefits...*" Each year, the Centers for Medicare and Medicaid Service Services ("CMS") announce changes to deductibles and coinsurance provisions. Carriers shall submit their Medicare supplement premium rates to the OID within 30 days from the date of the CMS announcement. The OID Rate and Form Compliance Division will monitor the timely filing of the rates in this market segment to ensure that consumers have the most current information available to them when making buying decisions.

Carriers should take appropriate steps to ensure compliance with the rule change by filing their rates within 30 days from the effective date of the rule, September 15, 2017.

**Questions or comments applicable to this bulletin should be directed to Barron B. Brown, Assistant General Counsel, at [barron.brown@oid.ok.gov](mailto:barron.brown@oid.ok.gov), or to Greg Lawson, Manager of Statistical Analysis, at [greg.lawson@oid.ok.gov](mailto:greg.lawson@oid.ok.gov), Oklahoma Insurance Department, Five Corporate Plaza, 3625 NW 56<sup>th</sup>, Suite 100, Oklahoma City, OK 73112.**