

SENATE BILL NO. 105—SENATOR BUCK

PREFILED JANUARY 21, 2025

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions relating to Medicare supplemental policies. (BDR 57-71)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to insurance; requiring insurers to make available to certain persons all Medicare supplemental policies sold by the insurer that can be purchased by the person; prohibiting an insurer from treating Medicare supplemental policies that are classified as guaranteed issue differently for certain purposes relating to the payment of commissions; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing federal law establishes the Medicare program, which is a public health
2 insurance program for persons 65 years of age and older and specified persons with
3 disabilities who are under 65 years of age. (42 U.S.C. §§ 1395 et seq.) Under
4 existing federal regulations, a “Medicare supplemental policy” is a policy offered
5 by a private insurer that is primarily designed to pay expenses not reimbursed under
6 Medicare because of certain limitations under Medicare. (42 C.F.R. § 403.205)
7 Existing federal law classifies Medicare supplemental policies based on the
8 standardized package of benefits, which are prescribed by federal law, that each
9 policy offers. Existing federal law also requires the issuance of a Medicare
10 supplemental policy under certain circumstances, under which such a policy is
11 considered to be guaranteed issue, but does not require all of the standardized
12 benefit plans to be made available for guaranteed issue, with certain exceptions. (42
13 U.S.C. § 1395ss) This bill requires insurers that offer Medicare supplemental
14 policies in this State to allow a person who is purchasing a Medicare supplemental
15 policy where guaranteed issue requirements apply to purchase any standardized
16 benefit plan that: (1) the insurer sells to new applicants in this State; and (2) the
17 insurer is authorized under federal law to sell to the person.

18 Under certain circumstances, existing law prohibits an insurer or other person
19 or entity from varying the commission associated with the purchase of certain
20 Medicare supplemental policies, paying differential commissions associated with



21 the purchase of those Medicare supplemental policies or otherwise treating those
22 particular Medicare supplemental policies differently for the purposes of
23 commission. (NRS 687B.352) This bill applies this prohibition to the purchase of a
24 Medicare supplemental policy that is classified as guaranteed issue.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** Chapter 687B of NRS is hereby amended by adding
2 thereto a new section to read as follows:

3 1. *An insurer that offers any Medicare supplemental policy*
4 *for delivery in this State shall allow a person who is eligible to*
5 *purchase a Medicare supplemental policy classified as guaranteed*
6 *issue under 42 U.S.C. § 1395ss or any other applicable federal or*
7 *state law or regulations to purchase any standardized benefit plan*
8 *offered by the insurer which is available for issuance to new*
9 *insureds. For purposes of this subsection only, a policy that is*
10 *issued solely pursuant to NRS 687B.352 is not classified as*
11 *guaranteed issue.*

12 2. *The provisions of subsection 1 must not be construed to*
13 *require an insurer to sell or issue any policy where prohibited by*
14 *federal law.*

15 3. *An insurer or other person or entity shall not vary the*
16 *commission associated with the purchase of a Medicare*
17 *supplemental policy, pay differential commissions associated with*
18 *the purchase of a Medicare supplemental policy or otherwise treat*
19 *a Medicare supplemental policy differently for the purposes of*
20 *commission because the policy is classified as guaranteed issue*
21 *under 42 U.S.C. § 1395ss or any other applicable federal or state*
22 *law or regulations.*

23 4. *As used in this section:*

24 (a) *“Medicare supplemental policy” has the meaning ascribed*
25 *to it in 42 C.F.R. § 403.205.*

26 (b) *“Standardized benefit plan”:*

27 (1) *Means a Medicare supplemental policy with a*
28 *particular package of benefits as required by federal law; and*

29 (2) *Includes, without limitation, any Medicare*
30 *supplemental policy designated as Standardized Benefit Plan A to*
31 *N, inclusive, any high deductible version of any such plan and any*
32 *other standardized package of benefits for Medicare supplemental*
33 *policies that may be established by federal law.*

34 **Sec. 2.** NRS 695B.320 is hereby amended to read as follows:

35 695B.320 1. Nonprofit hospital and medical or dental service
36 corporations are subject to the provisions of this chapter, and to the
37 provisions of chapters 679A and 679B of NRS, subsections 2, 4, 17,



1 18 and 30 of NRS 680B.010, NRS 680B.025 to 680B.060,
2 inclusive, chapter 681B of NRS, NRS 686A.010 to 686A.315,
3 inclusive, 686B.010 to 686B.175, inclusive, 687B.010 to
4 687B.040, inclusive, 687B.070 to 687B.140, inclusive, 687B.150,
5 687B.160, 687B.180, 687B.200 to 687B.255, inclusive, 687B.270,
6 687B.310 to 687B.380, inclusive, *and section 1 of this act*,
7 687B.410, 687B.420, 687B.430, 687B.500 and chapters 692B,
8 692C, 693A and 696B of NRS, to the extent applicable and not in
9 conflict with the express provisions of this chapter.

10 2. For the purposes of this section and the provisions set forth
11 in subsection 1, a nonprofit hospital and medical or dental service
12 corporation is included in the meaning of the term “insurer.”

13 **Sec. 3.** 1. This section becomes effective upon passage and
14 approval.

15 2. Sections 1 and 2 of this act become effective:

16 (a) Upon passage and approval for the purpose of adopting any
17 regulations and performing any other preparatory administrative
18 tasks that are necessary to carry out the provisions of this act; and

19 (b) On January 1, 2026, for all other purposes.



