As Introduced

136th General Assembly
Regular Session
2025-2026

S. B. No. 485

Senator Blessing

To amend sections 3923.33, 3923.331, 3923.332, 3923.337, 3923.338, 3923.339, and 3923.42 and to enact section 3923.3310 of the Revised Code to provide Medigap policies for Medicare-eligible individuals under the age of 65.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 3923.33, 3923.331, 3923.332, 3923.337, 3923.338, 3923.339, and 3923.42 be amended and section 3923.3310 of the Revised Code be enacted to read as follows:

Sec. 3923.33. As used in section 3923.33 and sections 3923.331 to ~~3923.339~~ 3923.3310 of the Revised Code:

(A) "Applicant" means:

(1) In the case of an individual medicare supplement policy, the person who seeks to contract for insurance benefits; and

(2) In the case of a group medicare supplement policy, the proposed certificate holder.

(B) "Certificate" means, for purposes of section 3923.33 and sections 3923.331 to ~~3923.339~~ 3923.3310 of the Revised Code, any certificate delivered or issued for delivery in this state

under a group medicare supplement policy.

(C) "Certificate form" means the form on which the certificate is delivered or issued for delivery by the issuer.

(D) "Direct response insurance policy" means a medicare supplement policy or certificate marketed without the direct involvement of an insurance agent.

(E) "Issuer" includes insurance companies, fraternal benefit societies, health insuring corporations, and any other entities delivering or issuing for delivery in this state medicare supplement policies or certificates.

(F) "Medicare" means the "Health Insurance for the Aged Act," Title XVIII of the Social Security Amendments of 1965, 79 Stat. 291, 42 U.S.C.A. 1395, as then constituted or later amended.

(G) "Medicare supplement policy" means a group or individual policy of sickness and accident insurance or a subscriber contract of health insuring corporations or any other issuers, other than a policy issued pursuant to a contract under section 1876 of the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C.A., 1395mm, as amended, or an issued policy under any demonstration project specified in 42 U.S.C.A. 1395ss(g)(1), which is advertised, marketed, or designed primarily as a supplement to reimbursements under medicare for the hospital, medical, or surgical expenses of persons eligible for medicare.

(H) "Policy form" means the form on which the policy is delivered or issued for delivery by the issuer.

Sec. 3923.331. (A) Except as otherwise provided in the Revised Code, section 3923.33 and sections 3923.331 to ~~3923.339~~ 3923.3310 of the Revised Code shall apply to:

(1) All medicare supplement policies delivered or issued for delivery in this state on or after the effective date of this amendment; and

(2) All certificates issued under group medicare supplement policies, which certificates are delivered or issued for delivery in this state on or after the effective date of this amendment.

(B) Section 3923.33 and sections 3923.331 to ~~3923.339~~ 3923.3310 of the Revised Code shall not apply to a policy of one or more employers or labor organizations, or of the trustees of a fund established by one or more employers or labor organizations, or a combination thereof, for employees or former employees, or a combination thereof, or for members or former members, or a combination thereof, of the labor organizations.

(C) Except as otherwise provided in division (D) of section 3923.334 of the Revised Code, section 3923.33 and sections 3923.331 to ~~3923.339~~ 3923.3310 of the Revised Code are not intended to prohibit or apply to insurance policies or health care benefit plans, including group conversion policies, provided to medicare eligible persons, which policies are not marketed or held to be medicare supplement policies or benefit plans.

Sec. 3923.332. (A) No medicare supplement policy or certificate in force in this state shall contain benefits that duplicate benefits provided by medicare.

(B) Notwithstanding section 3923.04 of the Revised Code or any other provision of law of this state, a medicare supplement policy or certificate shall not exclude or limit benefits for losses incurred more than six months from the effective date of

coverage because it involved a preexisting condition. The policy or certificate shall not define a preexisting condition more restrictively than a condition for which medical advice was given or treatment was recommended by or received from a physician within six months before the effective date of coverage.

(C) The superintendent of insurance shall adopt reasonable rules to establish specific standards for policy provisions of medicare supplement policies and certificates. The standards shall be in addition to and in accordance with applicable laws of this state, including sections 3923.03 to 3923.09 of the Revised Code. No requirement in Title XVII or XXXIX of the Revised Code relating to minimum required policy benefits, other than the minimum standards contained in section 3923.33 and sections 3923.331 to ~~3923.339~~ 3923.3310 of the Revised Code, shall apply to medicare supplement policies and certificates. The standards may cover, but are not limited to:

(1) Terms of renewability;

(2) Initial and subsequent conditions of eligibility;

(3) Nonduplication of coverage;

(4) Probationary periods;

(5) Benefit limitations, exceptions, and reductions;

(6) Elimination periods;

(7) Requirements for replacement;

(8) Recurrent conditions; and

(9) Definitions of terms.

(D) The superintendent shall adopt reasonable rules to

establish minimum standards for benefits, claims payment, advertising and marketing practices and compensation arrangements, and reporting practices, for medicare supplement policies and certificates.

(E) The superintendent may adopt from time to time such reasonable rules as are necessary to conform medicare supplement policies and certificates to the requirements of federal law and regulations promulgated thereunder, including but not limited to:

(1) Requiring refunds or credits if the policies or certificates do not meet loss ratio requirements;

(2) Establishing a uniform methodology for calculating and reporting loss ratios;

(3) Assuring public access to policies, premiums, and loss ratio information of issuers of medicare supplement insurance;

(4) Establishing a process for approving or disapproving policy forms and certificate forms and proposed premium increases;

(5) Establishing a policy for holding public hearings prior to approval of premium increases; and

(6) Establishing standards for medicare select policies and certificates.

(F) The superintendent may adopt reasonable rules that specify prohibited policy provisions not otherwise specifically authorized by any provision in the Revised Code that, in the opinion of the superintendent, are unjust, unfair, or unfairly discriminatory to any person insured or proposed to be insured under a medicare supplement policy or certificate.

Sec. 3923.337. All rules adopted pursuant to section 3923.33 and sections 3923.331 to ~~3923.339~~ 3923.3310 of the Revised Code shall be subject to Chapter 119. of the Revised Code.

Sec. 3923.338. In addition to any other applicable penalties for violations of Title XVII or XXXIX of the Revised Code, the superintendent of insurance, pursuant to an adjudication conducted in accordance with Chapter 119. of the Revised Code, may issue an order requiring issuers violating any provision of section 3923.33 or sections 3923.331 to ~~3923.339~~ 3923.3310 of the Revised Code or rules adopted pursuant to those sections to do either or both of the following:

(A) Cease marketing any medicare supplement policy or certificate in this state that is related directly or indirectly to the violation;

(B) Take such actions as are necessary to comply with section 3923.33 and sections 3923.331 to ~~3923.339~~ 3923.3310 of the Revised Code.

Sec. 3923.339. If any provision of section 3923.33 or sections 3923.331 to ~~3923.339~~ 3923.3310 of the Revised Code or the application thereof to any person or circumstances is for any reason held to be invalid, the remainder of section 3923.33 and sections 3923.331 to ~~3923.339~~ 3923.3310 of the Revised Code and the application of such remainder to other persons or circumstances shall not be affected thereby.

Sec. 3923.3310. (A) Not later than the first day of January that immediately follows the effective date of this section, any issuer that offers coverage under a medicare supplement policy to individuals sixty-five years of age or

older shall offer the same coverage to individuals younger than sixty-five years of age who are eligible for and enrolled in medicare by reason of disability or end stage renal disease.

(B) Any benefit, protection, policy, or procedure applicable to coverage under a policy for an individual sixty-five years or older shall also apply to coverage offered under this section.

(C) The premiums for coverage offered under this section to individuals who are sixty-four years of age or younger shall not be higher than one hundred twenty-five per cent of the premiums for a medicare supplement policy offered to individuals sixty-five years of age.

(D)(1) Except as otherwise provided in division (D)(2) of this section, an issuer shall comply with sections 3923.33 to 3933.3310 of the Revised Code when issuing policies under this section.

(2) Notwithstanding any provision of the Revised Code to the contrary, a policy issued under this section shall not exclude or limit benefits for losses attributable to a preexisting condition.

(E) Nothing in this section is subject to section 3901.71 of the Revised Code.

Sec. 3923.42. (A) Sections 3923.41 to 3923.48 of the Revised Code may be cited as the "long-term care insurance act."

(B) Sections 3923.41 to 3923.48 of the Revised Code do not supersede the obligations of entities subject to these sections to comply with the substance of other applicable insurance laws insofar as they do not conflict with these sections, except that section 3923.33 and sections 3923.331 to ~~3923.339~~ 3923.3310 of

the Revised Code and rules intended to apply to medicare supplement insurance policies do not apply to long-term care insurance. A policy that is not advertised, marketed, or offered as long-term care insurance need not meet the requirements of sections 3923.41 to 3923.48 of the Revised Code.

Section 2. That existing sections 3923.33, 3923.331, 3923.332, 3923.337, 3923.338, 3923.339, and 3923.42 of the Revised Code are hereby repealed.

Section 3. Beginning on the first day of January that immediately follows the effective date of the enactment of section 3923.3310 of the Revised Code by this act and ending one hundred eighty days thereafter, an individual younger than sixty-five years of age who is enrolled in Medicare by reason of disability or end stage renal disease shall be allowed to apply for a Medicare supplement policy with the same benefit, protection, policy, or procedure applicable to new Medicare enrollees who are offered coverage under that section.