



DEPARTMENT OF COMMERCE

INSURANCE DIVISION

201 South Fall Street

Carson City, Nevada 89710

(702) 885-4270

BULLETIN NO. 88-006

DECEMBER 1, 1988

MEDICARE CATASTROPHIC COVERAGE ACT OF 1988

The Insurance Division is repealing Chapter 689A of NAC and is amending 687B of NAC, which govern the minimum standards for policies supplementing Medicare. The amendments will include the changes made by the National Association of Insurance Commissioners (NAIC) on September 20, 1988 in the model regulation. The hearing for the new Medicare supplement regulation is set for December 8, 1988.

To comply with the Medicare Catastrophic Coverage Act of 1988, each insurer offering these policies must comply with the NAIC Model Regulation Number 123 which regulates the transitional requirements for the federal law. The purpose of this bulletin is to identify for health insurers the following major requirements of the rules proposed and transitional regulations:

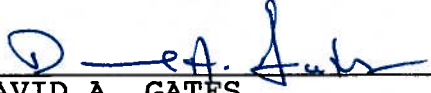
1. Each insurer shall, for each Medicare Supplement insurance policy which it offers:
 - (a) File a new policy form; or
 - (b) File an endorsement to the existing policy.

The option that an insurer chooses must be filed with the Division.

2. Each insurer shall notify its insureds, including all policyholders, contract holders and certificate holders, of any benefit change in its Medicare Supplement Policies at least 30 days before the effective date of the change. Section 12(B) of the "Model Regulation to Implement the NAIC Medicare Supplement Insurance Minimum Standards Model Act" states the applicable requirements. As a part of your filing, please explain and document how you intend to comply with the requirements of Section 12(B).

3. Each insurer shall file with the Division, on an informational basis, all Medicare supplement advertisements intended for use in this state, whether the advertisement is printed or intended for radio or television. The Division may request the withdrawal of any advertisement at any time after it is filed. Any advertisement which includes an application or enrollment form must still receive the approval of the Insurance Division prior to its use in this state.
4. The Outline of Coverage and Fact Sheet must be filed with the Division as in the past.
5. The Division of Insurance anticipates that Nevada's new medicare supplement regulation will be effective March 15, 1988. However, since the federal government has required all insurers to comply with some general requirements prior to that date, insurers are encouraged to use the information outlined in the NAIC Regulation Number 123 entitled "Model Regulation to Implement Transitional Requirements for the Conversion of Medicare Supplement Insurance Benefits and Premiums to Conform to Medicare Program Revisions" adopted in July 1988. The Model Regulation is located on pages 127-1 through 127-9 of the NAIC Model Laws, Regulations, and Guidelines.

If you have any questions, please contact Mr. Bob Evans or Ms. Sharen Weaver, at (702) 885-4270



DAVID A. GATES
Commissioner of Insurance

DAG:sr

RICHARD H. BRYAN
Governor

STATE OF NEVADA

DAVID A. GATES
Commissioner of Insurance

HARRY D. STRUVE
Director



DEPARTMENT OF COMMERCE

INSURANCE DIVISION

201 South Fall Street

Carson City, Nevada 89710

(702) 885-4270

December 1, 1988

TO: All Health Insurers

RE: Medi-gap or Medicare Supplement Policies issued in
Nevada

Subject to the Federal Government requirements set for the in section 4081 of the Omnibus Budget Reconciliation Act of 1987 (OBRA), the Commissioner of Insurance is required to compile certain information and report it to the Health Care Financing Administration of the Department of Health and Human Services.

Insurers must mail the information requested in the following survey to the Division of Insurance no later than December 19, 1988.

The Division will take the appropriate disciplinary action, if the survey is not mailed by December 19, 1988.

Do you write any Medi-gap policies in the State of Nevada? If so, please complete the questionnaire listed below. If not, please notify this Division.

_____ Yes, we do have Medi-gap/Medicare Supplement policies approved for sale in the State of Nevada.

_____ No, we do not have Medi-gap/Medicare Supplement policies approved for sale in the State of Nevada.

Name of Company _____

Nevada I.D. NO. _____

Address _____

Medi-gap form
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1. How many different Medi-gap policy forms do you have approved for sale in the State of Nevada?

2. Please list each approved Medi-gap policy by form number, trade name and date of approval by this Division.
3. Please indicate in the space provided below the name and title, if any, of the primary contact person in your company regarding regulatory matters for Medi-gap/Medicare Supplement Insurance. _____

4. Please indicate in the space provided below the name and title, if any, of the primary contact person in your company regarding consumer matters for Medi-gap/Medicare Supplement Insurance. _____

Please Return to:

Mr. Robert Evans, Life & Health Supervisor
Nevada Insurance Division
Nye Building
201 South Fall Street
Carson City, Nevada 89710

(702) 885-4270

RHE:sr