

AMENDMENTS TO LB852

(Amendments to Standing Committee amendments, AM2355)

Introduced by Jacobson, 42.

1           1. Strike the original sections and insert the following new  
2 sections:

3           Section 1. Section 44-3601, Reissue Revised Statutes of Nebraska, is  
4 amended to read:

5           44-3601 Sections 44-3601 to 44-3610 and sections 3 to 5 of this act  
6 shall be known and may be cited as the Medicare Supplement Insurance  
7 Minimum Standards Act.

8           Sec. 2. Section 44-3602, Reissue Revised Statutes of Nebraska, is  
9 amended to read:

10          44-3602 For purposes of the Medicare Supplement Insurance Minimum  
11 Standards Act:

12          (1) Applicant means ~~shall mean~~:

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

15           (b) In the case of a group medicare supplement policy, the proposed  
16 certificate holder;

17          (2) Balance bill means charging or collecting an amount in excess of  
18 the medicare-approved amount from a medicare beneficiary;

19          (3) ~~(2)~~ Certificate means ~~shall mean~~ any certificate delivered or  
20 issued for delivery in this state under a group medicare supplement  
21 policy;

22          (4) ~~(3)~~ Certificate form means ~~shall mean~~ the form on which the  
23 certificate is delivered or issued for delivery by the issuer;

24          (5) ~~(4)~~ Director means ~~shall mean~~ the Director of Insurance;

25          (6) ~~(5)~~ Issuer means ~~shall include~~ insurance companies, fraternal  
26 benefit societies, health care service plans, health maintenance

1 organizations, and any other entities delivering or issuing for delivery  
2 in this state medicare supplement policies or certificates;

3 (7) (6) Medicare means shall mean the Health Insurance for the Aged  
4 Act, Title XVIII of the Social Security Amendments of 1965, as then  
5 constituted or later amended;

6 (8) Medicare-approved amount means the current payment rate listed  
7 in the applicable fee schedule established by the federal Centers for  
8 Medicare and Medicaid Services;

9 (9) (7) Medicare supplement policy means shall mean a group or  
10 individual policy of sickness and accident insurance or a subscriber  
11 contract of health maintenance organizations, other than a policy issued  
12 pursuant to a contract under section 1876 of the federal Social Security  
13 Act, 42 U.S.C. 1395 et seq., or an issued policy under a demonstration  
14 project specified in 42 U.S.C. 1395ss(g)(1), which is advertised,  
15 marketed, or designed primarily as a supplement to reimbursements under  
16 medicare for the hospital, medical, or surgical expenses of persons  
17 eligible for medicare;~~and~~

18 (10) (8) Policy form means shall mean the form on which the policy  
19 is delivered or issued for delivery by the issuer; ~~and~~

20 (11) Supplier has the same meaning as defined in 42 C.F.R. 400.202,  
21 as such regulation existed on January 1, 2024, including an entity or  
22 individual that sells or rents Medicare Part B covered durable medical  
23 equipment, prosthetics, orthotics, and supplies to medicare  
24 beneficiaries.

25 Sec. 3. A supplier that is a nonparticipating provider in the  
26 medicare program shall not balance bill a Nebraska medicare beneficiary  
27 for any durable medical equipment, prosthetic, orthotic, or supply for  
28 which the supplier has not accepted assignment, unless the beneficiary  
29 (1) agrees in writing prior to such billing to pay the additional amount  
30 and (2) pays the full amount prior to receipt of the durable medical  
31 equipment, prosthetic, orthotic, or supply. Such agreement shall provide

1 notification to the beneficiary that medicare reimburses eighty percent  
2 of the medicare-approved amount and that an issuer of a medicare  
3 supplement policy or certificate shall not be required to reimburse the  
4 supplier or the beneficiary in an amount greater than one hundred fifteen  
5 percent of the medicare-approved amount for durable medical equipment,  
6 prosthetics, orthotics, or supplies as provided in section 4 of this act.

7       Sec. 4. An issuer of a medicare supplement policy or certificate  
8 shall not be required to reimburse a supplier or beneficiary in an amount  
9 greater than one hundred fifteen percent of the medicare-approved amount  
10 for durable medical equipment, prosthetics, orthotics, or supplies.  
11 Nothing in this section shall be construed to prevent an issuer from  
12 negotiating the level and type of reimbursement with a supplier for  
13 covered durable medical equipment, prosthetics, orthotics, or supplies.

14       Sec. 5. (1) An issuer that makes a medicare supplement policy or  
15 certificate available to an individual who is sixty-five years of age and  
16 eligible for medicare benefits as described in 42 U.S.C. 1395c(1), as  
17 such section existed on January 1, 2024, shall make at least one medicare  
18 supplement policy or certificate that meets the requirements of the  
19 Medicare Supplement Insurance Minimum Standards Act, available to an  
20 individual who is under sixty-five years of age and eligible for and  
21 enrolled in medicare by reason of disability as described in 42 U.S.C.  
22 1395c(2), as such section existed on January 1, 2024.

23       (2) Premium rates for medicare supplement insurance policies or  
24 certificates may differ between an individual who qualifies for medicare  
25 who is sixty-five years of age or older and an individual who qualifies  
26 for medicare by reason of disability and who is under sixty-five years of  
27 age. Such differences in premiums shall not be excessive, inadequate, or  
28 unfairly discriminatory and shall be based on sound actuarial principles  
29 and be reasonable in relation to the benefits provided. The premium for  
30 an individual who is under sixty-five years of age shall not exceed one  
31 hundred fifty percent of the premium for a similarly situated individual

1 who is sixty-five years of age.

2 (3) An individual who is under sixty-five years of age and is  
3 eligible for a medicare supplement policy or certificate by reason of  
4 disability as described in subsection (1) of this section shall be  
5 subject to the same open enrollment rules applicable to an individual who  
6 is sixty-five years of age and eligible for a medicare supplement policy  
7 or certificate as described in subsection (1) of this section beginning  
8 on the first day of the first month that the individual turns sixty-five  
9 years of age.

10 Sec. 6. Section 5 of this act becomes operative on January 1, 2025.  
11 The other sections of this act become operative on their effective date.

12 Sec. 7. Original sections 44-3601 and 44-3602, Reissue Revised  
13 Statutes of Nebraska, are repealed.