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MARYLAND INSURANCE ADMINISTRATION  
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**BULLETIN**

**To:** Carriers Participating in the Medicare Supplement Market in Maryland  
**Re:** Notice of New Guarantee Issuance Requirement  
**Date:** July 2, 2004  
**Bulletin:** Life and Health # 04-12

Chapter 322 (House Bill 125) of the Acts of the General Assembly of 2004, which became effective May 11, 2004, adds a new guarantee issue option for certain individuals who are eligible for Medicare and who are losing their coverage under the Maryland Health Insurance Plan (MHIP).

The Medicare supplement policies required to be offered to MHIP members differ depending on the reason the individual is eligible for Medicare.

*For MHIP members who are eligible for Medicare due to age*, Chapter 322 requires each carrier to guarantee issue any Medicare supplement policy that the carrier sells in Maryland to an individual who:

- (1) Transferred from the Substantial, Available, and Affordable Coverage Plan to MHIP on July 1, 2003; and
- (2) Is terminated from MHIP as a result of eligibility for Medicare.

*For MHIP members who are eligible for Medicare due to disability and who are under age 65*, Chapter 322 requires each carrier that sells Medicare supplement plans C or I in Maryland to guarantee issue these plans during the new guarantee issue period.

The new guarantee issue period required by Chapter 322 is 6 months long and begins on the date that the individual's coverage under MHIP terminates. The Board of Directors of MHIP have voted to terminate coverage for Medicare eligible individuals as of September 30, 2004.

Medicare supplement carriers may find it necessary to revise their Medicare supplement applications to elicit information about prior MHIP coverage in order to identify individuals eligible for the guarantee issued products. The amended applications should be filed for approval with the Life and Health Section of the Maryland Insurance Administration as soon as possible. If the form filing is clearly identified as a Medicare supplement application for MHIP members, the filing will be selected for an expedited review.

Any questions about this bulletin should be directed to the Life/Health Section of the Maryland Insurance Administration at 410-468-2170.

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Howard Max  
Acting Associate Commissioner