Department of Planning and Budget 2025 General Assembly Session State Fiscal Impact Statement

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Bill Number: SB1199-ER Patron: Deeds

Bill Title: Medicare supplement policies; annual open enrollment period.

Bill Summary: Requires an insurer, health services plan, or health maintenance organization issuing individual Medicare supplement policies or certificates in the Commonwealth to offer to an individual currently insured under any such policy an annual open enrollment period commencing on the day of the individual's birthday and remaining open for at least 60 days thereafter, during which time the individual may purchase any Medicare supplement policy made available by any insurer in the Commonwealth that offers the same benefits as those provided by the current coverage. The bill also requires such insurer, health services plan, or health maintenance organization to notify, at least 15 days but not more than 30 days prior to the commencement of such annual open enrollment period, each individual to whom such open enrollment period applies of the dates of that open enrollment period, the rights of the individual during that open enrollment period, and any modification of benefits provided by or adjustment of premiums charged for such Medicare supplement policy.

Budget Amendment Necessary: No. **Items Impacted:** None.

Explanation: The proposed legislation is expected to have a minimal fiscal impact for the State

Corporation Commission's (SCC) Bureau of Insurance (BOI).

Fiscal Summary: The proposed legislation is expected to have a minimal fiscal impact for the State Corporation Commission's (SCC) Bureau of Insurance (BOI).

Fiscal Analysis: The proposed legislation is expected to have a minimal fiscal impact for BOI. The bill creates an annual open enrollment period for Medicare supplement plans, which would require BOI to update its regulations and may result in BOI creating consumer guidance or informational materials. The cost to amend the regulations and potentially to create consumer materials can be absorbed within BOI's current operating budget and would not require a budget amendment. However, BOI notes that there are several legislative proposals advancing in the 2025 Regular Session that require the agency to amend its regulations. The cumulative effect of enactment of these types of proposals may exceed BOI's capacity and may result in the need for additional appropriations, positions, revenue generated from increased rates, or all identified actions.

Other: This bill is a companion to HB 2100.