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**HOUSE BILL NO. 358**

Offered January 14, 2026

Prefiled January 12, 2026

*A BILL to amend and reenact § 38.2-3608 of the Code of Virginia, relating to Medicare supplement policies; regulations establishing minimum standards; work group; report.*

Patron—Helmer

Committee Referral Pending

**Be it enacted by the General Assembly of Virginia:****1. That § 38.2-3608 of the Code of Virginia is amended and reenacted as follows:****§ 38.2-3608. Regulations establishing minimum standards.**

A. The Commission may issue regulations to establish minimum standards for *processing and* payment of claims under Medicare supplement policies ~~and for~~ *risk adjustment mechanisms*, marketing practices, compensation arrangements, requirements for loss ratio refunds or credits, Medicare select policies and certificates, and reporting practices of insurers providing such policies, *including the disclosure of methodology used in coverage decisions*.

B. The Commission may revise or amend such regulations and may increase the scope of the regulations only to the extent necessary to maintain federal approval of the Commonwealth's program for regulation of Medicare supplement insurance pursuant to the requirements established by the United States Department of Health and Human Services.

C. The Commission shall annually advise the standing committees of the General Assembly having jurisdiction over insurance matters of revisions and amendments made pursuant to subsection B.

**2. That the Bureau of Insurance of the State Corporation Commission shall convene a work group to assess issues related to costs affecting Medicare Advantage and Medicare supplement policies, as defined in § 38.2-3600 of the Code of Virginia, and to develop recommendations for regulations issued pursuant to § 38.2-3608 of the Code of Virginia, as amended by this act. The assessment and recommendations shall include a review of (i) current minimum standards for processing and payment of claims under Medicare supplement policies; (ii) the implementation of risk adjustment mechanisms, including the potential use of market stabilization pools for Medicare supplement policies; (iii) ways to eliminate waste and abuse from overpayments; (iv) methodologies used in coverage decisions and the disclosure and reporting practices of insurers related to coverage decisions; (v) ways to improve care under Medicare supplement policies and address disparities in care; and (vi) the effectiveness and utilization of existing consumer protections for individuals under and changing between Medicare supplement policies, including the availability of an annual open enrollment period of 60 days commencing on an individual's birthday, barriers to switching beneficiaries between Medicare supplement policies or carriers, compliance by insurers with applicable guaranteed-issue requirements, and options to improve beneficiary flexibility while maintaining market stability. The work group may recommend statutory or regulatory changes to improve the accessibility, clarity, and effectiveness of consumer protections for individuals under and changing between Medicare supplement policies, including adjustments to enrollment windows, plan equivalency standards, consumer notice requirements, or other guardrails necessary to ensure meaningful beneficiary choices. The work group shall include relevant stakeholders, including representatives from the Virginia Association of Health Plans; the Virginia Hospital and Healthcare Association; the Medical Society of Virginia; organizations with direct experience providing consumer counseling to Medicare beneficiaries, such as the State Health Insurance Assistance Program or Area Agencies on Aging; and other parties with an interest in the implementation of minimum standards for Medicare supplement policies, which shall include at least two individuals who are current Medicare supplement policy holders residing in the Commonwealth or individuals who have recently sought to change Medicare supplement coverage. The work group shall include consumer representation sufficient to ensure that the perspectives of Medicare beneficiaries enrolled in Medicare supplement policies are meaningfully reflected. The work group shall report its findings and recommendations to the Chairs of the Senate Committee on Commerce and Labor and the House Committee on Labor and Commerce on or before December 1, 2026.**

INTRODUCED

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