



State of New Jersey

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BULLETIN NO. 19-08

**TO: ALL INSURANCE COMPANIES AND ENTITIES PROVIDING
MEDICARE SUPPLEMENT PLANS, AND OTHER INTERESTED
PARTIES**

FROM: MARLENE CARIDE, COMMISSIONER

**RE: THE MEDICARE ACCESS AND CHIP REAUTHORIZATION ACT OF
2015: CARRIER ACTION REQUIRED**

The purpose of this Bulletin is to provide guidance with respect to the action carriers must take to comply with the requirements of the Medicare Access and CHIP Reauthorization Act of 2015 ("MACRA") which was signed into law on April 16, 2015. Section 401 of MACRA prohibits the sale of Medigap policies that cover Part B deductibles to "newly eligible" Medicare beneficiaries defined as those individuals who: (a) have attained age 65 on or after January 1, 2020; or (b) first become eligible for Medicare due to age, disability or end-stage renal disease, on or after January 1, 2020. Medicare Supplement Plans C and F cover the Medicare Part B deductible. Medicare Supplement Plans D and G do not cover the Medicare Part B deductible but are otherwise identical to Medicare Supplement Plans C and F. In fact, for "newly eligible" persons, references in Federal law to Medicare Supplement Plans C and F are deemed as references to Medicare Supplement Plans D and G.

As currently required by N.J.S.A. 17B:26A-12 through 13 and N.J.A.C. 11:4-23B, every carrier that issues or renews Medicare Supplement plans in New Jersey must offer and renew Medicare Supplement Plan C to New Jersey residents age 50 or older who are entitled to Medicare due to disability or End Stage Renal Disease ("ESRD"). To comply with MACRA, carriers will be required to offer and renew Medicare Supplement Plan D for newly eligible Medicare beneficiaries who are New Jersey residents age 50 or older who are entitled to Medicare due to disability or ESRD. Please see recently enacted P.L. 2019, c. 139 for guidance concerning specific eligibility for Medicare Supplement Plans C and D. Carriers may also refer to guidance issued by the NAIC which is available at https://www.naic.org/documents/cmte_b_senior_issues_related_macra_faq_2018.pdf

The benefits for Medicare Supplement Plans D and G are as established in N.J.A.C. 11:4-23 for the 2010 Standardized Medicare Supplement Benefit Plans D and G.

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Required Carrier Action

In order for carriers to offer Medicare Supplement Plan D with an effective date of January 1, 2020 or later, the Department expects that carriers will promptly submit the following:

- Medicare Supplement Plan D policy form filing with application
- Medicare Supplement Plan D rate filing - Rate filings must provide a demonstration of the development of Medicare Supplement Plans D rates
- Medicare Supplement Plan D Outline of Coverage
- Medicare Supplement Plan D Advertising

Any carrier intending to first offer Medicare Supplement Plan G for January 1, 2020 or later effective dates must similarly submit the above items for Medicare Supplement Plan G.

If you have any questions, please contact the Department’s Life and Health Unit at lifehealth@dohi.nj.gov.

7/9/19
Date

Marlene Caride
Marlene Caride
Commissioner