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Bill Analysis

Version: As Introduced

Primary Sponsors: Reps. Callender and Sweeney

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SUMMARY

- Requires, starting January 1, 2025, health plan issuers that offer Medicare supplement policies to individuals age 65 and over, to offer those same policies to individuals who are younger than 65 and who are otherwise eligible for Medicare.
- Specifies that such policies must be offered on the same terms as those policies offered to individuals age 65 and older.
- Requires the premiums for policies offered to individuals younger than 65 to be no more than the premiums for policies offered individuals who are 65 years of age.
- Prohibits such Medicare supplement policies from including preexisting condition exclusions.
- Requires health plan issuers to offer a special enrollment period for such policies beginning January 1, 2025, and ending July 1, 2025.
- Allows persons under 65 who are enrolled in a policy issued under the bill to, within 60 days of the person's birthday, acquire a new Medicare supplement policy from a different issuer offering the same coverage.

DETAILED ANALYSIS

Overview

The bill requires, starting January 1, 2025, health plan issuers that offer Medicare supplement policies to persons age 65 and older to offer such supplemental plans to individuals who are eligible for Medicare, but are age 64 or younger. Medicare is health insurance provided by the federal government. It is offered to individuals who are age 65 or older and also to individuals who are disabled or suffering from end-stage renal disease or amyotrophic lateral sclerosis, commonly referred to as ALS. Medicare does not provide coverage for every health condition that might come up and also can require substantial cost sharing on the part of

beneficiaries. Private insurers offer supplemental policies to cover these gaps in coverage. However, not every state requires their insurers to offer these supplemental Medicare policies to Medicare-eligible individuals under age 65. Ohio is one such state.

Requirements

The bill requires health plan issuers to offer Medicare supplement policies to Medicare-eligible individuals who are under age 65. It also imposes several restrictions in how such policies are offered. First, the bill specifies that such policies must be offered on the same terms as those Medicare supplement policies offered to individuals age 65 and older. Any benefit, protection, policy, or procedure applicable to a plan for an individual age 65 or older must apply to Medicare supplement plans provided to individuals age 64 and younger.¹ The bill specifies that the premiums for coverage provided to individuals under 65 years of age and must be the same as the premiums for coverage provided to individuals who are 65 years of age.²

Existing legal requirements

For plans issued to individuals under age 65 years, plan issuers must follow all existing laws pertaining to Medicare supplement policies. These laws touch on topics such as duplication of benefits, probationary periods, recurrent conditions, and others. The one exception to this is preexisting conditions exclusions. Current law allows Medicare supplement policies to exclude coverage for preexisting conditions up to six months after the policy has been issued.³ The bill prohibits any preexisting condition exclusions in policies issued under the bill.⁴ In other words, Medicare supplement policies issued to individuals over 65 could include a six month preexisting condition exclusion, whereas policies issued to individuals under 65 could not.

Special enrollment periods

The bill requires health plan issuers to offer a special enrollment period for policies issued under the bill. The period runs from January 1, 2025, to July 1, 2025. During this period, any eligible person would be able to enroll in a policy offered under the bill.⁵ Additionally, the bill enables Medicare-eligible individuals who are under 65 years old, within 60 days of their birthday each year, to acquire a new Medicare supplement policy offering the same coverage as the person's existing policy from a different issuer.⁶

¹ R.C. 3923.3310(A) and (B).

² R.C. 3923.3310(C).

³ R.C. 3923.332(B), not in the bill.

⁴ R.C. 3923.3310(D).

⁵ R.C. 3923.3310(E).

⁶ R.C. 3923.3310(F).

HISTORY

Action	Date
Introduced	02-05-24
