

TO: State Regulators
FROM: Senior Issues (B) Task Force Chair Marlene Caride
Re: 2021 Survey of Medicare Supplement New or Innovative Benefits Chart
Date: 7/23/21

The NAIC Medicare Supplement Model Regulation (#651) and the NAIC Medicare Supplement Compliance Manual call upon the Senior Issues (B) Task Force to maintain a record of state-approved Medicare Supplement “new or innovative benefits” for use by regulators and others. (Background references are included below.) It is intended the states regularly report this information to the Task Force, and that this record be updated periodically and posted on the Task Force’s web page to be available to regulators and interested parties.

Below is the information submitted by states reflecting Medicare Supplement “new or innovative benefits” approved and denied as of July 23, 2021. This chart will be posted on the Senior Issues (B) Task Force’s webpage: https://content.naic.org/cmte_b_senior_issues.htm under the Documents tab. If you have any questions, please do not hesitate to contact David at dtorian@naic.org / 202-471-3979. We appreciate your help in keeping this information updated.

Background references:

Section 9.1F of Model Regulation to Implement the NAIC Medicare Supplement Insurance Minimum Standards Model Act (#651):

F. New or Innovative Benefits: An issuer may, with the prior approval of the commissioner], offer policies or certificates with new or innovative benefits, in addition to the standardized benefits provided in a policy or certificate that otherwise complies with the applicable standards. The new or innovative benefits shall include only benefits that are appropriate to Medicare supplement insurance, are new or innovative, are not otherwise available, and are cost-effective. Approval of new or innovative benefits must not adversely impact the goal of Medicare supplement simplification. New or innovative benefits shall not include an outpatient prescription drug benefit. New or innovative benefits shall not be used to change or reduce benefits, including a change of any cost-sharing provision, in any standardized plan.

Drafting Note: Recognizing the challenge in maintaining standardization while ensuring availability of new or innovative benefits, the drafters have included additional guidance to states in the NAIC Medicare Supplement Insurance Model Regulation Compliance Manual. This guidance includes a recommendation that states consider making publicly available all approved new or innovative benefits, and requests states to report the approval of all new or innovative benefits to the NAIC Senior Issues Task Force, who will maintain a record of these benefits for use by regulators and others. The Senior Issues Task Force will periodically review state approved benefits and consider whether to recommend that they be made part of standard benefit plan designs in this regulation.

Section II of Medicare Supplement Insurance Model Regulations Compliance Manual:

Recognizing the challenge in maintaining standardization while ensuring availability of new or innovative benefits, the drafters have included additional guidance to states in the NAIC Medicare Supplement Insurance Model Regulation Compliance Manual. This guidance includes a recommendation that states consider making publicly available all approved new or innovative benefits, and requests states to report the approval of all new or innovative benefits to the NAIC Senior Issues Task Force, who will maintain a record of these benefits for use by regulators and others. The Senior Issues Task Force will periodically review state approved benefits and consider whether to recommend that they be made part of standard benefit plan designs in this regulation.

NAIC Senior Issues (B) Task Force
Summary of results of state regulator surveys on Medicare supplement new or innovative benefits.
State regulators may submit corrections or updates to this information to David Torian at dtorian@naic.org

Date: 7/23/21

Survey Questions:

Please list name of your state: _____

Please provide a contact for your state (name, number, email): _____

1. Please review the chart below in this document. These are the new or innovative benefits that were reported by states in 2019. Question: Have you approved any additional new or innovative benefits in your state? If so, please provide the information for each column of the chart. (include: date of approval, company name, summary of benefit, plan it applies to, state contact). Please also provide any corrections or updates needed to the information on the chart.

Utah – reported to NAIC 7/1/21: *Our AARP plan (offered by UnitedHealthcare) does include the SilverSneakers program, but we do not view this as an innovative benefit. The “NAIC Medicare Supplement Insurance Model Regulation Compliance Manual” gives some guidance as to what should not be considered an innovative benefit.*

“Benefits such as discounts for eyeglasses or frames, discounts for hearing aids, membership in health clubs, or other types of ancillary services or programs should not be considered new or innovative benefits.”

We may have other benefits such as discount programs or wellness programs that are included in plans, but these have not been identified by companies, nor by us, as innovative benefits.

2. Question: Have you denied any new or innovative benefit filings since the chart below was reported? If so, what was the benefit, and what was your reason for denying it? Please include date of disapproval, company name, and applicable plan. (i.e., the benefit sought to change or reduce benefits; the benefit sought to change cost-sharing; the benefit would have been inconsistent with standardization; etc.)

Utah – reported to NAIC 7/1/21: *We are not aware of any innovative benefits that we have denied. However, we have been approached by Physicians Life Insurance Company (CoCode 72125) to approve a plan modification similar to those indicated by other states. The plan modification involves plans F, G, HDF and HDG. Policyholders can sign up for a modified plan F that has a deductible exactly the same as HDF and after 3 years the deductible is removed and the plan becomes a regular plan F (same scenario for plan G). The company called it an innovative benefit in our face-to-face meeting, but in the filing they only refer to it as a “Deductible Discount Rider.” In addition to the discount rider, the plan offers some limited preventive care benefits and hearing loss testing. We would consider the preventive care and hearing loss testing to be included as innovative benefits.*

We have some concern about the deductible discount rider. Model 651 9.1F says, “New or innovative benefits shall not be used to change or reduce benefits, including a change of any cost-sharing provision, in any standardized plan.” They are proposing to modify plan G to mimic HDG for 3 years, and that does seem to be a change in a cost-sharing provision. One could argue that this rider complicates rather than simplifies the plan, which is contrary to 9.1F. We only recently received the filing, so we do not know if we will approve or disapprove it at this point.

3. Question: Are there new or innovative benefits that have been approved in your state that you believe should be considered as part of the standard Medigap benefit plan design?

Colorado – reported to NAIC 6/21/21: Nurse Advise Line (saves beneficiary time to get advice on non-emergency conditions); Vision Care; Hearing Examinations.

Minnesota – reported to NAIC 7/9/21: Minnesota’s stance on innovative benefits may change with new considerations for custodial support services similar to what has been newly allowed for Medicare Advantage plans; however, no changes have been implemented to date.

As Reported to the NAIC as of 7/23/21

State-reported APPROVED Medigap new or innovative benefits:

State Reporting	Company, approval date	Date Reported to NAIC	Summary of APPROVED New or Innovative Benefit(s)	Applies to Plan(s):	State Contact for More Information:
Alabama	Omaha Insurance Company – approved 7/11/2019	6/24/21	Additional Benefits Program. Value added programs or services are provided through third party service providers (e.g. various provider networks, health assistance programs), some of which may provide discounted goods, services or credits to the policyholders.	A, F, G, HD G, N	Anthony Williams (334) 240-7586 anthony.williams@insurance.alabama.gov
Alabama	Resource Life Insurance Company – approved 7/12/2019	6/24/19	Value Added Services Program. Incentives that are provided by third-party organizations that may apply to insurance and non-insurance products or services. These incentives may assist policyholders in maintaining or improving fitness levels and overall health and may include discounts, offers and online resources such as access to fitness facility membership and at-home fitness kits.	A, F, G	Anthony Williams (334) 240-7586 anthony.williams@insurance.alabama.gov
Maryland	Physicians Life Insurance Company – Approved 4/28/2020	7/9/21	Preventive health care and hearing loss testing benefits if such expenses are determined to be medically appropriate by an attending physician and such expenses are not paid for by Medicare or any other provision of the policy. During the high deductible period, these additional benefits will not be subject to the high deductible.	F, G and F(HD), G(HD)	Fern Thomas (410) 468-2254 fern.thomas@maryland.gov
Maryland	Physicians Life Insurance Company – Approved 4/28/2020	7/9/21	Optional deductible premium discount rider - When this rider is added to an insured's Policy (standard Plan F or Plan G), the Plan benefits are subject to a High Deductible (set annually by Secretary of U.S. Department of HHS) for up to three years (the deductible period). During this deductible period, the benefits are the same as the Company's High Deductible Plan F Policy or High Deductible Plan G Policy. After this deductible period, the benefits	F and G	Fern Thomas (410) 468-2254 fern.thomas@maryland.gov

State Reporting	Company, approval date	Date Reported to NAIC	Summary of APPROVED New or Innovative Benefit(s)	Applies to Plan(s):	State Contact for More Information:
			become those of the Company's standard Plan F Policy or Plan G Policy. The premium will be set between the standard Plans F or G Policy premium and the High Deductible Plans F or G Policy premium. The premium does not increase due to the removal of the High Deductible at the end of the deductible period. The insured may terminate this rider during the deductible period to remove the High Deductible and increase to full (standard) Plan F or Plan G benefits with the understanding his or her premium increases to full Plan F or Plan G premium.		
Massachusetts	Blue Cross and Blue Shield of Massachusetts, Inc.	7/9/21	Fitness \$150 Weight Loss \$150 Hearing Aids Foreign Travel	Core	Kevin Beagan (617) 521-7323 Kevin.beagan@mass.gov
Massachusetts	Blue Cross and Blue Shield of Massachusetts, Inc.	7/9/21	Fitness \$150 Weight Loss \$150 Hearing Aids	1 and 1A	Kevin Beagan (617) 521-7323 Kevin.beagan@mass.gov
Massachusetts	Fallon Health & Life Assurance Company, Inc.	7/9/21	Silver Sneakers (fitness) Vision exam Eyeglasses \$150	Core, 1 and 1A	Kevin Beagan (617) 521-7323 Kevin.beagan@mass.gov
Massachusetts	HNE Insurance Company	7/9/21	Fitness \$150 Foreign travel	Core	Kevin Beagan (617) 521-7323 Kevin.beagan@mass.gov
Massachusetts	HNE Insurance Company	7/9/21	Fitness \$150	1 and 1A	Kevin Beagan (617) 521-7323 Kevin.beagan@mass.gov
Massachusetts	HPHC Insurance Company	7/9/21	Fitness \$150	Core, 1 and 1A	Kevin Beagan (617) 521-7323 Kevin.beagan@mass.gov

State Reporting	Company, approval date	Date Reported to NAIC	Summary of APPROVED New or Innovative Benefit(s)	Applies to Plan(s):	State Contact for More Information:
Massachusetts	Humana Insurance Company	7/9/21	Dental and Vision Coverage	Core, 1 and 1A	Kevin Beagan (617) 521-7323 Kevin.beagan@mass.gov
Massachusetts	Tufts Insurance Company	7/9/21	Fitness \$150 Foreign Travel Dental Coverage	Core	Kevin Beagan (617) 521-7323 Kevin.beagan@mass.gov
Massachusetts	Tufts Insurance Company	7/9/21	Fitness \$150 Hearing Aids Dental Coverage	1 and 1A	Kevin Beagan (617) 521-7323 Kevin.beagan@mass.gov
Nevada	Mutual of Omaha (Approved 2019)	6/21/21	Discounts on healthy living products, hearing aids and tests, vision exams and eyewear, fitness programs.	All Plans	Jack Childress (775) 687-0731 jchildress@doi.nv.gov
Nevada	Physicians Mutual Insurance Company (approved in 2019)	6/21/21	Has a rider which adds a high deductible to Plan F until the fourth January 1 st after the effective date of the policy. Also has this for Plan G.	Plan F,G	Jack Childress (775) 687-0731 jchildress@doi.nv.gov
Nevada	Sterling Life Insurance Company (Approved 2019)	6/21/21	Nurse Advice Line, Annual physical exam, preventive dental benefit, routine vision care and hearing exam.	F	Jack Childress (775) 687-0731 jchildress@doi.nv.gov
Nevada	UniCare Life & Health Insurance Company (Approved 2019)	6/21/21	Generic pharmacy coverage, lower office visit copays, covered Part B deductible, vision coverage with \$20 copay, chiropractic visits with \$10 copay.	HDF	Jack Childress (775) 687-0731 jchildress@doi.nv.gov
Nevada	United World Life Insurance Company (Approved 2019)	6/21/21	Discounts on hearing tests, hearing aids, eye care and eye wear. \$100 credit if a hospital is used in the USA Senior Care Network.	All Plans	Jack Childress (775) 687-0731 jchildress@doi.nv.gov
Oregon	Moda Health Plan, Inc. Approved 12/10/2019	7/9/21	Dental and Vision benefits	A, C, F, G, N	Rick Barry (503) 947-7255 rick.a.barry@oregov.gov

State Reporting	Company, approval date	Date Reported to NAIC	Summary of APPROVED New or Innovative Benefit(s)	Applies to Plan(s):	State Contact for More Information:
Pennsylvania	Physicians Life Insurance Company, 10/9/20	7/2/21	When this rider is added to Plan F or G, the benefits are subject to a high deductible for up to three years (the calendar year of issue and the following two calendar years). During this period, benefits are the same as those of high deductible Plan F or G. After the three-year period, the benefits become those of regular Plan F or G. The rider provides a reduction to the regular Plan F or G rates, and this reduction remains in effect after the period during which the high deductible applies. While this resulting rate is higher than that paid by insureds who purchase a traditional high deductible plan where the high deductible remains in effect for the duration of the policy, the insured has the benefit of regular Plan F or G benefits after the three year high deductible period at a rate lower than they would pay if they had enrolled in regular Plan F or G.	F & G	Tracie Gray (717) 705.7257 tgray@pa.gov
Utah	Sterling Life Insurance Company (CoCode 77399, STLG-127383241) 11/30/2011	7/1/2021	Nurse Advise line, Annual Physical Exam, Preventive dental, Routine Vision, Routine Hearing	F	Jaakob Sundberg (801) 957-9294 jsundberg@utah.gov

State-reported DISAPPROVALS of Medigap New or Innovative Medigap Benefits as of July 23, 2021:

State Reporting	Summary of benefit, date of DISAPPROVAL	Date Reported to NAIC	Reason for DISAPPROVAL	State Contact for More Information
NONE				

States reporting NO approvals and NO disapprovals, as of July 23, 2021:

Alaska (reported to NAIC June 21, 2021) – contact Sarah Bailey (907) 465-4608 sarah.bailey@alaska.gov

Connecticut (reported to NAIC June 21, 2021) – contact Paul Lombardo (860) 297-3891 paul.lombardo@ct.gov

Delaware (reported to NAIC July 9, 2021) – contact Jessica Luff (302) 674-6293 Jessica.Luff@delaware.gov

Florida (reported to NAIC July 20, 2021) – contact James Dunn (850) 413-5136 James.Dunn@floir.com

Georgia (reported to NAIC July 8, 2021) – contact Thomas Carswell 404-657-4193 tcarswell@oci.ga.gov

Idaho (reported to NAIC July 7, 2021) – contact Shannon Hohl (208) 334-4315 shannon.hohl@doi.idaho.gov

Iowa (reported to NAIC June 24, 2021) – contact Andria Seip (515) 654-6575 andria.seip@iid.iowa.gov

Kansas (reported to NAIC June 23, 2021) – contact Craig Van Aalst (785) 296-3765, craig.vanaalst@ks.gov

Kentucky (reported to NAIC June 17, 2021) – contact Stephanie McGaughey-Bowker (502) 564-6088 stephanie.bowker@ky.gov

Louisiana (reported to NAIC June 17, 2021) – contact Jerri McClendon (225) 219-9526 jerri.mcclendon@ldi.la.gov

Maine (reported to NAIC June 17, 2021) – contact Sherry Ingalls (207) 624-8476 sherry.l.ingalls@maine.gov

Michigan (reported to NAIC June 21, 2021) – contact Renee Campbell (517) 284-8776 campbellr2@michigan.gov OR Karen Dennis (517) 284-8696 Dennisk1@michigan.gov

Minnesota (reported to NAIC July 9, 2021) – contact Galen Benshoof (651) 539-1777 Galen.Benshoof@state.mn.us or Candace Gergen (651) 539-1533 Candace.Gergen@state.mn.us

Missouri (reported to NAIC July 9, 2021) – contact Camille Anderson-Weddle (573) 522-3311 Camille.Anderson-Weddle@insurance.mo.gov

Montana (reported to NAIC June 21, 2021) – contact Ashley Perez (406) 444-5220 aperez@mt.gov

New Hampshire (reported to NAIC July 28, 2021) – contact Roni Karnis (603) 271-4002 Roni.M.Karnis@ins.nh.gov

New Jersey (reported to NAIC June 23, 2021) – Fred Brinkman (609) 940-7626 Fred.Brinkman@dobi.nj.gov

North Dakota (reported to NAIC June 30, 2021) – contact Chrystal Bartuska (701) 328-2441 cbartuska@nd.gov OR Yuri Venjohn (701) 328-4981 yvenjohn@nd.gov

Oklahoma (reported to NAIC July 20, 2021) – contact Cuc Nguyen (405) 522-4608 Cuc.Nguyen@oid.ok.gov

South Carolina (reported to NAIC July 1, 2021) – contact Shari Miles (803) 737-6096 smiles@doi.sc.gov

Washington (reported to NAIC July 9, 2021) – contact Ned Gaines (360 725-7126) NedG@oic.wa.gov

Wisconsin (reported to NAIC June 28, 2021) – contact Mary Kay Rodriguez (608) 266-7465 marykay.rodriguez@wisconsin.gov