BULLETIN

To: **Medicare Supplement Insurers**

Re: **Revision to Regulations--Limitation on Implementing Rate Increases**

Date: **February 15, 2000**

Bulletin: Life and Health 00-3

On December 10, 1999, this Administration issued Bulletin 99-23, describing emergency amendments to COMAR 31.10.06, Standards for Medicare Supplement Policies. The amendments affected the manner in which insurance companies and nonprofit health service plans could implement rate increases for Medicare supplement policies and certificates in Maryland.

In response to comments from the industry, the emergency amendments have been changed. The amendments continue to be emergency amendments and will have an effective date of January 1, 2000. For your convenience, attached is the text of the emergency amendments to COMAR 31.10.06.

The amended regulations prohibit carriers from increasing premiums under new individual policies or new group certificates until at least one year after the effective date of the individual policy or group certificate. For existing contracts, the amended regulations prohibit the implementation of rate increases more than once each year.

If you have any questions on this matter, you may direct them to Brenda Wilson, Chief of Managed Care at (410) 468-2212.

Donna B. Imhoff

Associate Commissioner

Life and Health

Attachment