

Federal law leads to Medicare supplement changes in 2020

Producers selling Medigap policies in Oregon need to be aware of new rules, which take effect Jan. 1, 2020, to avoid federal penalties and fines.

The Medicare Access and CHIP Reauthorization Act of 2015 revised the rules to Medigap policies regarding Part B deductibles for newly eligible Medicare beneficiaries beginning in 2020.

According to the revised Medicare rules, beginning Jan. 1, 2020, the law will:

- Prohibit newly eligible beneficiaries from purchasing a Medicare supplement plan that pays for the Part B deductible. This means plans C and F cannot be sold to newly eligible Medicare consumers newly. Those enrolled in Plans C and F prior to January 1, 2020 may keep their plan.
- Make plans D and G the guarantee issue plans for newly eligible Medicare beneficiaries.

The Division of Financial Regulation is completing rulemaking for Medicare supplement plans to bring state regulation in line with the federal act. The rule will be filed by August 1, 2018, and will provide guidance for insurers to file plans in advance of the change.

For more information [visit the division's Medicare Supplement 2020 FAQs page](#).