

Introduced by Senator Blakespear
(Coauthors: Senators Archuleta, Limón, Stern, and Umberg)
(Coauthors: Assembly Members Addis, Bauer-Kahan, Garcia,
Mark González, Ortega, Schiavo, and Zbur)

January 30, 2025

An act to amend Section 1358.11 of, and to add Section 1358.25 to, the Health and Safety Code, and to amend Section 10192.11 of, and to add Section 10192.25 to, the Insurance Code, relating to health care coverage.

LEGISLATIVE COUNSEL'S DIGEST

SB 242, as introduced, Blakespear. Medicare supplement coverage: open enrollment periods.

Existing federal law provides for the Medicare Program, which is a public health insurance program for persons 65 years of age and older and specified persons with disabilities who are under 65 years of age. Existing federal law specifies different parts of Medicare that cover specific services, such as Medicare Part B, which generally covers medically necessary services and supplies and preventive services. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care, and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance.

Existing federal law additionally provides for the issuance of Medicare supplement policies or certificates, also known as Medigap coverage, which are advertised, marketed, or designed primarily as a supplement to reimbursements under the Medicare Program for the hospital, medical, or surgical expenses of persons eligible for the Medicare Program,

including coverage of Medicare deductible, copayment, or coinsurance amounts, as specified. Existing law, among other provisions, requires supplement benefit plans to be uniform in structure, language, designation, and format with the standard benefit plans, as prescribed. Existing law prohibits an issuer from denying or conditioning the offering or effectiveness of any Medicare supplement contract, policy, or certificate available for sale in this state, or discriminating in the pricing of a contract, policy, or certificate because of the health status, claims experience, receipt of health care, or medical condition of an applicant in the case of an application that is submitted prior to or during the 6-month period beginning with the first day of the first month in which an individual is both 65 years of age or older and is enrolled for benefits under Medicare Part B. Existing law requires an issuer to make available specified Medicare supplement benefit plans to a qualifying applicant under those circumstances who is 64 years of age or younger who does not have end stage renal disease.

This bill would delete the exclusion of otherwise qualified applicants who have end stage renal disease, thereby making the specified Medicare supplement benefit plans available to those individuals. The bill, on and after January 1, 2026, would prohibit an issuer of Medicare supplement coverage in this state from denying or conditioning the issuance or effectiveness of any Medicare supplement coverage available for sale in the state, or discriminate in the pricing of that coverage because of the health status, claims experience, receipt of health care, medical condition, or age of an applicant, if an application for coverage is submitted during an open enrollment period, as specified in the bill. The bill would entitle an individual enrolled in Medicare Part B to a 90-day annual open enrollment period beginning on January 1 of each year, as specified, during which period the bill would require applications to be accepted for any Medicare supplement coverage available from an issuer, as specified. The bill would require the open enrollment period to be a guaranteed issue period.

Because a violation of the bill's requirements by a health care service plan would be a crime, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares as follows:

2 (a) Existing state law requires insurance companies that sell
3 Medicare supplement coverage, also known as Medigap coverage,
4 to issue that insurance on a guaranteed-issue basis to eligible
5 individuals without adjusting premiums based on medical
6 underwriting, as long as their applications are submitted within a
7 one-time open enrollment period.

8 (b) The open enrollment period in the state is during the
9 six-month window beginning when the individual is enrolled for
10 benefits under Medicare Part B. After this open enrollment period,
11 there is no guarantee that Medigap coverage will be issued to
12 individuals with preexisting medical conditions unless the
13 individual satisfies certain conditions, and even if the coverage is
14 issued, the premium may be significantly higher.

15 (c) As a result, it is extremely difficult for individuals whose
16 health conditions or financial situations may have changed after
17 their open enrollment period to switch to another Medicare
18 supplement coverage plan that is more suitable.

19 (d) It is, therefore, the intent of the Legislature in enacting this
20 act to do both of the following:

21 (1) Establish an annual open enrollment for applicants, and
22 require Medigap coverage issuers in California to accept an
23 individual's application for coverage or an application to switch
24 to another eligible plan during that period.

25 (2) Prohibit issuers from denying the applicant Medigap
26 coverage or making any premium rate distinctions due to any of
27 the following:

28 (A) Health status.

29 (B) Claims experience.

30 (C) Medical condition.

31 (D) Whether the applicant is receiving health care services.

32 SEC. 2. Section 1358.11 of the Health and Safety Code is
33 amended to read:

34 1358.11. (a) (1) An issuer shall not deny or condition the
35 offering or effectiveness of any Medicare supplement contract

1 available for sale in this state, nor discriminate in the pricing of a
2 contract because of the health status, claims experience, receipt of
3 health care, or medical condition of an applicant in the case of an
4 application for a contract that is submitted prior to or during the
5 six-month period beginning with the first day of the first month
6 in which an individual is both 65 years of age or older and is
7 enrolled for benefits under Medicare Part B. Each Medicare
8 supplement contract currently available from an issuer shall be
9 made available to all applicants who qualify under this subdivision
10 and who are 65 years of age or older.

11 (2) (A) An issuer shall make available Medicare supplement
12 benefit plans A, B, C, and F, if currently available, to an applicant
13 who qualifies under this subdivision, who is 64 years of age or
14 ~~younger, and who does not have end-stage renal disease.~~ *younger.*
15 An issuer shall also make available to those applicants Medicare
16 supplement benefit plan K or L, if currently available, or Medicare
17 supplement benefit plan M or N, if currently available. The
18 selection between Medicare supplement benefit plan K or L and
19 the selection between Medicare supplement benefit plan M or N
20 shall be made at the issuer's discretion.

21 (B) For contracts sold or issued on or after January 1, 2020, to
22 newly eligible Medicare beneficiaries, as defined in subdivision
23 (b) of Section 1358.92, an issuer shall make available Medicare
24 supplement benefit plans A, B, D, and G, if currently available, to
25 applicants who qualify under this subdivision who are 64 years of
26 age or ~~younger and who do not have end-stage renal disease.~~
27 *younger.* An issuer shall also make available to those applicants
28 Medicare supplement benefit plan K or L, if currently available,
29 or Medicare supplement benefit plan M or N, if currently available.
30 The selection between Medicare supplement benefit plan K or L
31 and the selection between Medicare supplement benefit plan M or
32 N shall be made at the issuer's discretion.

33 (3) This section and Section 1358.12 do not prohibit an issuer
34 in determining subscriber rates from treating applicants who are
35 under 65 years of age and are eligible for Medicare Part B as a
36 separate risk classification.

37 (b) (1) If an applicant qualifies under subdivision (a) and
38 submits an application during the time period referenced in
39 subdivision (a) and, as of the date of application, has had a
40 continuous period of creditable coverage of at least six months,

1 the issuer shall not exclude benefits based on a preexisting
2 condition.

3 (2) If the applicant qualifies under subdivision (a) and submits
4 an application during the time period referenced in subdivision (a)
5 and, as of the date of application, has had a continuous period of
6 creditable coverage that is less than six months, the issuer shall
7 reduce the period of any preexisting condition exclusion by the
8 aggregate of the period of creditable coverage applicable to the
9 applicant as of the enrollment date. The manner of the reduction
10 under this subdivision shall be as specified by the director.

11 (c) Except as provided in subdivision (b) and Section 1358.23,
12 subdivision (a) does not prevent the exclusion of benefits under a
13 contract, during the first six months, based on a preexisting
14 condition for which the enrollee received treatment or was
15 otherwise diagnosed during the six months before the coverage
16 became effective.

17 (d) An individual enrolled in Medicare by reason of disability
18 shall be entitled to open enrollment described in this section for
19 six months after the date of their enrollment in Medicare Part B,
20 or if notified retroactively of their eligibility for Medicare, for six
21 months following notice of eligibility. Sales during the open
22 enrollment period shall not be discouraged by any means, including
23 the altering of the commission structure.

24 (e) (1) An individual enrolled in Medicare Part B is entitled to
25 open enrollment described in this section for six months following:

26 (A) Receipt of a notice of termination or, if no notice is received,
27 the effective date of termination from any employer-sponsored
28 health plan including an employer-sponsored retiree health plan.

29 (B) Receipt of a notice of loss of eligibility due to the divorce
30 or death of a spouse or, if no notice is received, the effective date
31 of loss of eligibility due to the divorce or death of a spouse, from
32 any employer-sponsored health plan including an
33 employer-sponsored retiree health plan.

34 (C) Termination of health care services for a military retiree or
35 the retiree's Medicare eligible spouse or dependent as a result of
36 a military base closure or loss of access to health care services
37 because the base no longer offers services or because the individual
38 relocates.

39 (2) For purposes of this subdivision, "employer-sponsored retiree
40 health plan" includes any coverage for medical expenses, including

1 coverage under the Consolidated Omnibus Budget Reconciliation
2 Act of 1985 (COBRA) and the California Continuation Benefits
3 Replacement Act (Cal-COBRA), that is directly or indirectly
4 sponsored or established by an employer for employees or retirees,
5 their spouses, dependents, or other included covered persons.

6 (f) An individual enrolled in Medicare Part B is entitled to open
7 enrollment described in this section if the individual was covered
8 under a policy, certificate, or contract providing Medicare
9 supplement coverage but that coverage terminated because the
10 individual established residence at a location not served by the
11 issuer.

12 (g) (1) An individual whose coverage was terminated by a
13 Medicare Advantage plan shall be entitled to an additional 60-day
14 open enrollment period to be added on to and run consecutively
15 after any open enrollment period authorized by federal law or
16 regulation, for any and all Medicare supplement coverage available
17 on a guaranteed basis under state and federal law or regulations
18 for persons terminated by their Medicare Advantage plan.

19 (2) Health plans that terminate Medicare enrollees shall notify
20 those enrollees in the termination notice of the additional open
21 enrollment period authorized by this subdivision. Health plan
22 notices shall inform enrollees of the opportunity to secure advice
23 and assistance from the HICAP in their area, along with the
24 toll-free telephone number for HICAP.

25 (h) (1) An individual shall be entitled to an annual open
26 enrollment period lasting 60 days or more, commencing with the
27 individual's birthday, during which time that person may purchase
28 any Medicare supplement coverage that offers benefits equal to
29 or lesser than those provided by the previous coverage. During
30 this open enrollment period, an issuer that falls under this paragraph
31 shall not deny or condition the issuance or effectiveness of
32 Medicare supplement coverage, nor discriminate in the pricing of
33 coverage, because of health status, claims experience, receipt of
34 health care, or medical condition of the individual if, at the time
35 of the open enrollment period, the individual is covered under
36 another Medicare supplement policy, certificate, or contract. An
37 issuer that offers Medicare supplement contracts shall notify an
38 enrollee of their rights under this subdivision at least 30 and no
39 more than 60 days before the beginning of the open enrollment

1 period, and on any notice related to a benefit modification or
2 premium adjustment.

3 (2) For purposes of this subdivision, the following provisions
4 apply:

5 (A) A 1990 standardized Medicare supplement benefit plan A
6 shall be deemed to offer benefits equal to those provided by a 2010
7 standardized Medicare supplement benefit plan A.

8 (B) A 1990 standardized Medicare supplement benefit plan B
9 shall be deemed to offer benefits equal to those provided by a 2010
10 standardized Medicare supplement benefit plan B.

11 (C) A 1990 standardized Medicare supplement benefit plan C
12 shall be deemed to offer benefits equal to those provided by a 2010
13 standardized Medicare supplement benefit plan C.

14 (D) A 1990 standardized Medicare supplement benefit plan D
15 shall be deemed to offer benefits equal to those provided by a 2010
16 standardized Medicare supplement benefit plan D.

17 (E) A 1990 standardized Medicare supplement benefit plan E
18 shall be deemed to offer benefits equal to those provided by a 2010
19 standardized Medicare benefit plan D.

20 (F) (i) A 1990 standardized Medicare supplement benefit plan
21 F shall be deemed to offer benefits equal to those provided by a
22 2010 standardized Medicare benefit plan F.

23 (ii) A 1990 standardized Medicare supplement benefit high
24 deductible plan F shall be deemed to offer benefits equal to those
25 provided by a 2010 standardized Medicare supplement benefit
26 high deductible plan F.

27 (G) A 1990 standardized Medicare supplement benefit plan G
28 shall be deemed to offer benefits equal to those provided by a 2010
29 standardized Medicare supplement benefit plan G.

30 (H) A 1990 standardized Medicare supplement benefit plan H
31 shall be deemed to offer benefits equal to those provided by a 2010
32 standardized Medicare supplement benefit plan D.

33 (I) A 1990 standardized Medicare supplement benefit plan I
34 shall be deemed to offer benefits equal to those provided by a 2010
35 standardized Medicare supplement benefit plan G.

36 (J) (i) A 1990 standardized Medicare supplement benefit plan
37 J shall be deemed to offer benefits equal to those provided by a
38 2010 standardized Medicare supplement benefit plan F.

39 (ii) A 1990 standardized Medicare supplement benefit high
40 deductible plan J shall be deemed to offer benefits equal to those

1 provided by a 2010 standardized Medicare supplement benefit
2 high deductible plan F.

3 (K) A 1990 standardized Medicare supplement benefit plan K
4 shall be deemed to offer benefits equal to those provided by a 2010
5 standardized Medicare supplement benefit plan K.

6 (L) A 1990 standardized Medicare supplement benefit plan L
7 shall be deemed to offer benefits equal to those provided by a 2010
8 standardized Medicare supplement benefit plan L.

9 (M) New or innovative benefits, as described in subdivision (f)
10 of Section 1358.9 and subdivision (f) of Section 1358.91, shall not
11 be included when determining whether benefits are equal to or
12 lesser than those provided by the previous coverage.

13 (i) An individual enrolled in Medicare Part B is entitled to open
14 enrollment described in this section upon being notified that,
15 because of an increase in the individual's income or assets, they
16 meet one of the following requirements:

17 (1) They are no longer eligible for Medi-Cal benefits.

18 (2) They are only eligible for Medi-Cal benefits with a share of
19 cost and certifies at the time of application that they have not met
20 the share of cost.

21 SEC. 3. Section 1358.25 is added to the Health and Safety
22 Code, to read:

23 1358.25. (a) On and after January 1, 2026, an issuer of
24 Medicare supplement coverage in this state shall not deny or
25 condition the issuance or effectiveness of any Medicare supplement
26 coverage contract available for sale in the state, or discriminate in
27 the pricing of the contract because of the health status, claims
28 experience, receipt of health care, medical condition, or age of an
29 applicant, if an application for that coverage is submitted at either
30 of the following times:

31 (1) Before or during the six-month period beginning with the
32 first day of the month in which an individual first enrolled for
33 benefits under Medicare Part B, as described in subdivision (a) of
34 Section 1358.11.

35 (2) During an annual open enrollment period, including, but not
36 limited to, the open enrollment period established in subdivision
37 (b).

38 (b) (1) An individual enrolled in Medicare Part B is entitled to
39 a 90-day annual open enrollment period beginning on January 1
40 of each year, as described in this section.

1 (2) During the open enrollment period established pursuant to
2 this subdivision, applications shall be accepted for any Medicare
3 supplement coverage available from an issuer.

4 (3) The open enrollment period established pursuant to this
5 section is a guaranteed issue period.

6 SEC. 4. Section 10192.11 of the Insurance Code is amended
7 to read:

8 10192.11. (a) (1) An issuer shall not deny or condition the
9 issuance or effectiveness of any Medicare supplement policy or
10 certificate available for sale in this state, nor discriminate in the
11 pricing of a policy or certificate because of the health status, claims
12 experience, receipt of health care, or medical condition of an
13 applicant in the case of an application for a policy or certificate
14 that is submitted prior to or during the six-month period beginning
15 with the first day of the first month in which an individual is both
16 65 years of age or older and is enrolled for benefits under Medicare
17 Part B. Each Medicare supplement policy and certificate currently
18 available from an issuer shall be made available to all applicants
19 who qualify under this subdivision and who are 65 years of age
20 or older.

21 (2) (A) An issuer shall make available Medicare supplement
22 benefit plans A, B, C, and F, if currently available, to an applicant
23 who qualifies under this subdivision, who is 64 years of age or
24 ~~younger, and who does not have end-stage renal disease.~~ *younger.*
25 An issuer shall also make available to those applicants Medicare
26 supplement benefit plan K or L, if currently available, or Medicare
27 supplement benefit plan M or N, if currently available. The
28 selection between Medicare supplement plan K or L and the
29 selection between Medicare supplement benefit plan M or N shall
30 be made at the issuer's discretion.

31 (B) For policies sold on or after January 1, 2020, to newly
32 eligible Medicare beneficiaries, as defined in subdivision (b) of
33 Section 10192.92, an issuer shall make available Medicare
34 supplement benefit plans A, B, D, and G, if currently available, to
35 applicants who qualify under this subdivision who are 64 years of
36 age or ~~younger and who do not have end-stage renal disease.~~
37 *younger.* An issuer shall also make available to those applicants
38 Medicare supplement benefit plan K or L, if currently available,
39 or Medicare supplement benefit plan M or N, if currently available.
40 The selection between Medicare supplement benefit plan K or L

1 and the selection between Medicare supplement benefit plan M or
2 N shall be made at the issuer's discretion.

3 (3) This section and Section 10192.12 do not prohibit an issuer
4 in determining premium rates from treating applicants who are
5 under 65 years of age and are eligible for Medicare Part B as a
6 separate risk classification. This section does not prevent the
7 exclusion of benefits for preexisting conditions as defined in
8 paragraph (1) of subdivision (a) of Section 10192.8 or paragraph
9 (1) of subdivision (a) of Section 10192.81.

10 (b) (1) If an applicant qualifies under subdivision (a) and
11 submits an application during the time period referenced in
12 subdivision (a) and, as of the date of application, has had a
13 continuous period of creditable coverage of at least six months,
14 the issuer shall not exclude benefits based on a preexisting
15 condition.

16 (2) If the applicant qualifies under subdivision (a) and submits
17 an application during the time period referenced in subdivision (a)
18 and, as of the date of application, has had a continuous period of
19 creditable coverage that is less than six months, the issuer shall
20 reduce the period of any preexisting condition exclusion by the
21 aggregate of the period of creditable coverage applicable to the
22 applicant as of the enrollment date. The manner of the reduction
23 under this subdivision shall be as specified by the commissioner.

24 (c) Except as provided in subdivision (b) and Section 10192.23,
25 subdivision (a) does not prevent the exclusion of benefits under a
26 policy, during the first six months, based on a preexisting condition
27 for which the policyholder or certificate holder received treatment
28 or was otherwise diagnosed during the six months before the
29 coverage became effective.

30 (d) An individual enrolled in Medicare by reason of disability
31 shall be entitled to open enrollment described in this section for
32 six months after the date of their enrollment in Medicare Part B,
33 or if notified retroactively of their eligibility for Medicare, for six
34 months following notice of eligibility. Every issuer shall make
35 available to every applicant qualified for open enrollment all
36 policies and certificates offered by that issuer at the time of
37 application. An issuer shall not discourage sales during the open
38 enrollment period by any means, including the altering of the
39 commission structure.

1 (e) (1) An individual enrolled in Medicare Part B is entitled to
2 open enrollment described in this section for six months following:

3 (A) Receipt of a notice of termination or, if no notice is received,
4 the effective date of termination from any employer-sponsored
5 health plan including an employer-sponsored retiree health plan.

6 (B) Receipt of a notice of loss of eligibility due to the divorce
7 or death of a spouse or, if no notice is received, the effective date
8 of loss of eligibility due to the divorce or death of a spouse, from
9 any employer-sponsored health plan including an
10 employer-sponsored retiree health plan.

11 (C) Termination of health care services for a military retiree or
12 the retiree's Medicare eligible spouse or dependent as a result of
13 a military base closure or loss of access to health care services
14 because the base no longer offers services or because the individual
15 relocates.

16 (2) For purposes of this subdivision, "employer-sponsored retiree
17 health plan" includes any coverage for medical expenses, including,
18 but not limited to, coverage under the Consolidated Omnibus
19 Budget Reconciliation Act of 1985 (COBRA) and the California
20 Continuation Benefits Replacement Act (Cal-COBRA), that is
21 directly or indirectly sponsored or established by an employer for
22 employees or retirees, their spouses, dependents, or other included
23 insureds.

24 (f) An individual enrolled in Medicare Part B is entitled to open
25 enrollment described in this section if the individual was covered
26 under a policy, certificate, or contract providing Medicare
27 supplement coverage but that coverage terminated because the
28 individual established residence at a location not served by the
29 plan.

30 (g) An individual whose coverage was terminated by a Medicare
31 Advantage plan shall be entitled to an additional 60-day open
32 enrollment period to be added on to and run consecutively after
33 any open enrollment period authorized by federal law or regulation,
34 for any Medicare supplement coverage provided by a Medicare
35 supplement issuer and available on a guaranteed basis under state
36 and federal law or regulation for persons terminated by their
37 Medicare Advantage plan.

38 (h) (1) An individual shall be entitled to an annual open
39 enrollment period lasting 60 days or more, commencing with the
40 individual's birthday, during which time that person may purchase

1 any Medicare supplement policy that offers benefits equal to or
2 lesser than those provided by the previous coverage. During this
3 open enrollment period, an issuer that falls under this paragraph
4 shall not deny or condition the issuance or effectiveness of
5 Medicare supplement coverage, nor discriminate in the pricing of
6 coverage, because of health status, claims experience, receipt of
7 health care, or medical condition of the individual if, at the time
8 of the open enrollment period, the individual is covered under
9 another Medicare supplement policy or contract. An issuer shall
10 notify a policyholder of their rights under this subdivision at least
11 30 and no more than 60 days before the beginning of the open
12 enrollment period, and on any notice related to a benefit
13 modification or premium adjustment.

14 (2) For purposes of this subdivision, the following provisions
15 apply:

16 (A) A 1990 standardized Medicare supplement benefit plan A
17 shall be deemed to offer benefits equal to those provided by a 2010
18 standardized Medicare supplement benefit plan A.

19 (B) A 1990 standardized Medicare supplement benefit plan B
20 shall be deemed to offer benefits equal to those provided by a 2010
21 standardized Medicare supplement benefit plan B.

22 (C) A 1990 standardized Medicare supplement benefit plan C
23 shall be deemed to offer benefits equal to those provided by a 2010
24 standardized Medicare supplement benefit plan C.

25 (D) A 1990 standardized Medicare supplement benefit plan D
26 shall be deemed to offer benefits equal to those provided by a 2010
27 standardized Medicare supplement benefit plan D.

28 (E) A 1990 standardized Medicare supplement benefit plan E
29 shall be deemed to offer benefits equal to those provided by a 2010
30 standardized Medicare benefit plan D.

31 (F) (i) A 1990 standardized Medicare supplement benefit plan
32 F shall be deemed to offer benefits equal to those provided by a
33 2010 standardized Medicare benefit plan F.

34 (ii) A 1990 standardized Medicare supplement benefit high
35 deductible plan F shall be deemed to offer benefits equal to those
36 provided by a 2010 standardized Medicare supplement benefit
37 high deductible plan F.

38 (G) A 1990 standardized Medicare supplement benefit plan G
39 shall be deemed to offer benefits equal to those provided by a 2010
40 standardized Medicare supplement benefit plan G.

1 (H) A 1990 standardized Medicare supplement benefit plan H
2 shall be deemed to offer benefits equal to those provided by a 2010
3 standardized Medicare supplement benefit plan D.

4 (I) A 1990 standardized Medicare supplement benefit plan I
5 shall be deemed to offer benefits equal to those provided by a 2010
6 standardized Medicare supplement benefit plan G.

7 (J) (i) A 1990 standardized Medicare supplement benefit plan
8 J shall be deemed to offer benefits equal to those provided by a
9 2010 standardized Medicare supplement benefit plan F.

10 (ii) A 1990 standardized Medicare supplement benefit high
11 deductible plan J shall be deemed to offer benefits equal to those
12 provided by a 2010 standardized Medicare supplement benefit
13 high deductible plan F.

14 (K) A 1990 standardized Medicare supplement benefit plan K
15 shall be deemed to offer benefits equal to those provided by a 2010
16 standardized Medicare supplement benefit plan K.

17 (L) A 1990 standardized Medicare supplement benefit plan L
18 shall be deemed to offer benefits equal to those provided by a 2010
19 standardized Medicare supplement benefit plan L.

20 (M) New or innovative benefits, as described in subdivision (f)
21 of Section 10192.9 and subdivision (f) of Section 10192.91, shall
22 not be included when determining whether benefits are equal to
23 or lesser than those provided by the previous coverage.

24 (i) An individual enrolled in Medicare Part B is entitled to open
25 enrollment described in this section upon being notified that,
26 because of an increase in the individual's income or assets, they
27 meet one of the following requirements:

28 (1) They are no longer eligible for Medi-Cal benefits.

29 (2) They are only eligible for Medi-Cal benefits with a share of
30 cost and certifies at the time of application that they have not met
31 the share of cost.

32 SEC. 5. Section 10192.25 is added to the Insurance Code, to
33 read:

34 10192.25. (a) On and after January 1, 2026, an issuer of
35 Medicare supplement coverage in this state shall not deny or
36 condition the issuance or effectiveness of any Medicare supplement
37 coverage policy or certificate available for sale in the state, or
38 discriminate in the pricing of the policy or certificate because of
39 the health status, claims experience, receipt of health care, medical

1 condition, or age of an applicant, if an application for that coverage
2 is submitted at either of the following times:

3 (1) Before or during the six-month period beginning with the
4 first day of the month in which an individual first enrolled for
5 benefits under Medicare Part B, as described in subdivision (a) of
6 Section 10192.11.

7 (2) During an annual open enrollment period, including, but not
8 limited to, the open enrollment period established in subdivision
9 (b).

10 (b) (1) An individual enrolled in Medicare Part B is entitled to
11 a 90-day annual open enrollment period beginning on January 1
12 of each year, as described in this section.

13 (2) During the open enrollment period established pursuant to
14 this subdivision, applications shall be accepted for any Medicare
15 supplement coverage available from an issuer.

16 (3) The open enrollment period is a guaranteed issue period.

17 SEC. 6. No reimbursement is required by this act pursuant to
18 Section 6 of Article XIII B of the California Constitution because
19 the only costs that may be incurred by a local agency or school
20 district will be incurred because this act creates a new crime or
21 infraction, eliminates a crime or infraction, or changes the penalty
22 for a crime or infraction, within the meaning of Section 17556 of
23 the Government Code, or changes the definition of a crime within
24 the meaning of Section 6 of Article XIII B of the California
25 Constitution.