

NOTICE OF PROPOSED RULEMAKING

NOTICE IS HEREBY GIVEN that the Superintendent of Insurance ("Superintendent") upon the Superintendent's own motion, and proceeding pursuant to the New Mexico Insurance Code, Section 59A-1 -1 et seq. NMSA 1978 ("Insurance Code"), proposes to repeal and replace the rule pertaining to the Medicare Supplement Insurance codified at Title 13, Chapter 10, Part 25 of the New Mexico Administrative Code ("NMAC").

The purpose of the proposed replacement rule is to implement changes required by a new federal law that was passed on April 16, 2015. The Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) makes changes to Medigap policies that cover the Part B deductibles for "newly eligible" Medicare Beneficiaries on or after January 1, 2020. If adopted as proposed, the new regulation will repeal the current version of the regulation, titled "2010 Medicare Supplement Insurance Standards" (which was effective August 31, 2009) and replace it with a new rule titled "Medicare Supplement Insurance Minimum Standards."

Statutory authority for promulgation of the proposed new rule is found at Sections 59A-2-8, 59A-2-9, and 59A-24A-1 et seq. NMSA 1978. Furthermore, OSI has been informed that states wishing to retain regulatory authority over Medicare Supplement products in their state must implement changes impacting Medicare Supplement policies pursuant to the new federal law. The proposed new rule implements the necessary changes by adoption of sections from the *Model Regulation to Implement the NAIC Medicare Supplement Insurance Minimum Standards Model Act – NAIC Model #651*.

The proposed rule may be found on the OSI website at <http://www.osi.state.nm.us> under the "Statutes & Rulemaking" tab and is incorporated by reference into this Notice of Proposed Rulemaking. A copy of the proposed rule is available by electronic download from the OSI website or the New Mexico Sunshine portal, or by requesting a copy in person at the NM Office of Superintendent of Insurance, 1120 Paseo de Peralta, Santa Fe, NM 87501.

The Superintendent of the OSI ("Superintendent") will hold a public comment hearing on the proposed rule beginning at **1:00 p.m.** Monday, **November 19, 2018** at the NM Office of Superintendent of Insurance, 4th Floor Hearing Room, Old PERA Building, 1120 Paseo de Peralta, Santa Fe, New Mexico. The Superintendent or his designee shall act as the hearing officer for this rulemaking.

OSI staff, health insurance carriers offering or wishing to offer Medicare Supplement products in this state, and members of the public are encouraged to provide oral comments or file any written proposals or comments according to the criteria and schedule set forth as follows:

Oral comments will be accepted at the public hearing from any interested person. Written comments may be submitted for the record prior to the hearing and are due no later than **4:00 p.m. on Friday, October 31, 2018**. Written responses may be submitted no later than **Thursday, November 15, 2018**.

Written comments, proposals, or responsive comments may be submitted via email to mariano.romero@state.nm.us or may be filed by sending original copies to:

OSI Records and Docketing, NM Office of Superintendent of Insurance
Attention: Mariano Romero, Room 331
1120 Paseo de Peralta, P.O. Box 1689, Santa Fe, NM 87504-1689 **Docket No.: 18-00058-RULE-LH**

Only signed statements, proposals or comments will be accepted. Scanned or facsimile signatures or electronic signatures conforming to federal and state court requirements will be accepted with the understanding that if there is any dispute regarding a signature, OSI reserves the right to require that original signatures be provided to verify the electronic or facsimile signature. All filings must be received between the hours of 8:00 a.m. and 4:00 p.m., Monday through Friday, except on state holidays. Any filings received after 4:00 p.m. will be filed to the docket the next business day.

Any person with a disability requiring special assistance in order to participate in the hearing should contact Melissa Martinez, Law Clerk, Office of General Counsel, at 505-476-0333 at least 48 hours prior to the commencement of the hearing.

The Superintendent will consider all oral comments, and will review all timely submitted written comments and responses. The record shall be closed at **4:00 p.m. on Wednesday, November 28, 2018.**

DONE AND ORDERED this 16th day of October 2018.

/S/

JOHN G. FRANCHINI