

**Bulletin 58**

**MEDICARE SUPPLEMENT INSURANCE AND THE  
MEDICARE CATASTROPHIC COVERAGE REPEAL ACT OF 1989**

December 19, 1989

As you are aware, President Bush signed the Medicare Catastrophic Coverage Repeal Act of 1989 ("Repeal Act") on December 13, 1989. In anticipation of the President's action, the NAIC, at its December meeting, adopted a new Transition Rule and permanent benefit standard revisions to the NAIC Medicare Supplement Model Act and Regulation, along with "consumer protection" amendments to the Model Regulation. Indiana has now started the process to adopt each of the new NAIC models.

In view of the time that will be required to adopt a transition rule, I am formally requesting that all insurers implement the requirements set forth in the NAIC "Model Regulation to Implement Transitional Requirements for the Conversion of Medicare Supplement Insurance Benefits and Premiums to Conform to Repeal of Medicare Catastrophic Coverage Act" (the "Transition Rule"). Appendix A to the Transition Rule provides the format for notifying existing policyholders of changes in coverage necessitated by the Repeal Act and we ask that you use that form to notify your insureds of the changes no later than January 31, 1990.

Prior approval of form and rate filings will be required as usual. Our staff is prepared to review Medicare supplement filings on an expedited and priority basis.

Thank you for your cooperation and voluntary compliance with the new NAIC standards that will make this transition period as trouble-free as possible for the insureds that you serve.

John J. Dillon III  
Commissioner

Withdrawn