

## **Bulletin 96-1**

### **Disclosure requirements for health insurance policies sold to medicare recipients**

March 14, 1996

There are changes in the requirements for certain health insurance policies sold to persons on Medicare necessitated by the Social Security Act Amendments of 1994. Basic, catastrophic, or major medical expense policies, single premium policies, and nonrenewable policies sold to persons enrolled in Medicare must contain the following disclosure in at least twelve point bold type printed on or attached to the first page of the policy, contract or certificate or the first page of an outline of coverage under a policy, contract or certificate if an outline is provided at the time of application:

**"THIS (POLICY CONTRACT OR CERTIFICATE) IS NOT A MEDICARE SUPPLEMENT (POLICY OR CONTRACT) If you are eligible for Medicare, review the Medicare Supplement Buyer's Guide available from the company."**

Failure to comply with this bulletin by issuing any policy, contract or certificate to a Medicare enrollee without this disclosure constitutes an unfair discriminatory and misleading trade practice and will subject the issuer to the appropriate penalties under law. If you have any questions regarding this Bulletin you are encouraged to contact South Dakota Division of Insurance, 445 East Capitol, Pierre, SD 57501-5070 or (605) 773-3563.

Darla L. Lyon  
Director of Insurance