

**THE INSURANCE CODE OF 1956 (EXCERPT)**  
**Act 218 of 1956**

**500.3801 Chapter; definitions.**

Sec. 3801. As used in this chapter:

(a) "Applicant" means:

(i) For an individual Medicare supplement policy, the person who seeks to contract for benefits.

(ii) For a group Medicare supplement policy or certificate, the proposed certificate holder.

(b) "Bankruptcy" means, with respect to a Medicare advantage organization that is not an insurer, that the organization has filed, or has had filed against it, a petition for declaration of bankruptcy and has ceased doing business in this state.

(c) "Certificate" means any certificate delivered or issued for delivery in this state under a group Medicare supplement policy.

(d) "Certificate form" means the form on which a certificate is delivered or issued for delivery by an insurer.

(e) "Continuous period of creditable coverage" means the period during which an individual was covered by creditable coverage, if during the period of the coverage the individual had no breaks in coverage greater than 63 days.

(f) "Creditable coverage" means coverage of an individual provided under any of the following:

(i) A group health plan.

(ii) Health insurance coverage.

(iii) Part A or part B of Medicare.

(iv) Medicaid other than coverage consisting solely of benefits under 42 USC 1396s.

(v) Chapter 55 of title 10 of the United States Code, 10 USC 1071 to 1110b.

(vi) A medical care program of the Indian Health Service or of a tribal organization.

(vii) A state health benefits risk pool.

(viii) A health plan offered under chapter 89 of title 5 of the United States Code, 5 USC 8901 to 8914.

(ix) A public health plan as defined in federal regulation.

(x) Health care under 22 USC 2504(e).

(g) "Direct response solicitation" means solicitation in which an insurer representative does not contact the applicant in person and explain the coverage available, such as, but not limited to, solicitation through direct mail or through advertisements in periodicals and other media.

(h) "Employee welfare benefit plan" means a plan, fund, or program of employee benefits as defined in 29 USC 1002.

(i) "Insolvency" means, with respect to an insurer licensed to transact the business of insurance in this state, that the insurer has had a final order of liquidation entered against it with a finding of insolvency by a court of competent jurisdiction in the insurer's state of domicile.

(j) "Insurer" includes any person that delivers or issues for delivery in this state Medicare supplement policies.

(k) "Medicaid" means subchapter XIX of the social security act, 42 USC 1396 to 1396w-5.

(l) "Medicare" means subchapter XVIII of the social security act, 42 USC 1395 to 1395lll.

(m) "Medicare advantage" means a plan of coverage for health benefits under Medicare part C as described in 42 USC 1395w-28, and includes any of the following:

(i) Coordinated care plans that provide health care services, including, but not limited to, health maintenance organization plans with or without a point-of-service option, plans offered by provider-sponsored organizations, and preferred provider organization plans.

(ii) Medical savings account plans coupled with a contribution into a Medicare advantage medical savings account.

(iii) Medicare advantage private fee-for-service plans.

(n) "Medicare supplement buyer's guide" means the document entitled, "Choosing a Medigap Policy: A Guide to Health Insurance for People with Medicare", developed by the National Association of Insurance Commissioners and the United States Department of Health and Human Services, or a substantially similar document as approved by the director.

(o) "Medicare supplement policy" means an individual or group policy or certificate that is advertised, marketed, or designed primarily as a supplement to reimbursements under Medicare for the hospital, medical, or surgical expenses of persons eligible for Medicare and Medicare select policies and certificates under section 3817. Medicare supplement policy does not include a policy, certificate, or contract of 1 or more employers or labor organizations, or of the trustees of a fund established by 1 or more employers or labor

organizations, or both, for employees or former employees, or both, or for members or former members, or both, of the labor organizations. Medicare supplement policy does not include Medicare advantage plans established under Medicare part C, outpatient prescription drug plans established under Medicare part D, or any health care prepayment plan that provides benefits pursuant to an agreement under 42 USC 1395f(a)(1).

(p) "PACE" means a program of all-inclusive care for the elderly as described in the social security act.

(q) "Prestandardized Medicare supplement benefit plan", "prestandardized benefit plan", or "prestandardized plan" means a group or individual policy of Medicare supplement insurance issued before June 2, 1992.

(r) "1990 standardized Medicare supplement benefit plan", "1990 standardized benefit plan", or "1990 plan" means a group or individual policy of Medicare supplement insurance issued on or after June 2, 1992 with an effective date for coverage before June 1, 2010 and includes Medicare supplement insurance policies and certificates renewed on or after that date that are not replaced by the issuer at the request of the insured.

(s) "2010 standardized Medicare supplement benefit plan", "2010 standardized benefit plan", or "2010 plan" means a group or individual policy of Medicare supplement insurance with an effective date for coverage on or after June 1, 2010.

(t) "Policy form" means the form on which the policy or certificate is delivered or issued for delivery by the insurer.

(u) "Secretary" means the secretary of the United States Department of Health and Human Services.

(v) "Social security act" means the social security act, 42 USC 301 to 1397mm.

**History:** Add. 1992, Act 84, Imd. Eff. June 2, 1992;—Am. 2002, Act 304, Imd. Eff. May 10, 2002;—Am. 2006, Act 462, Imd. Eff. Dec. 20, 2006;—Am. 2009, Act 220, Imd. Eff. Jan. 5, 2010;—Am. 2018, Act 429, Eff. Mar. 20, 2019.

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