

1. An individual Medicare supplement policy that provides for continuation of the benefits contained in the group policy; or

2. An individual Medicare supplement policy that provides only the benefits that are required to meet the minimum standards.

(3) If membership in a group is terminated, the insurer shall:

(i) Offer the certificate holder the conversion opportunities set out under paragraph (2) of this subsection; or

(ii) At the option of the group policyholder, offer the certificate holder continuation of coverage under the group policy.

(4) If a group Medicare supplement policy is replaced by another group Medicare supplement policy purchased by the same policyholder, the succeeding insurer shall offer coverage to all persons covered under the old group policy on its date of termination. Coverage under the new group policy shall not result in any exclusion for preexisting conditions that would have been covered under the group policy being replaced.

(d) This section may not operate to extend the number of days of hospitalization offered under § 468C(b)(2)(iv) to the extent those days of hospitalization have been utilized under the original policy.

468D.

(a) In this section "loss ratio" means the ratio of losses incurred to premiums earned on policies issued, delivered, or renewed in this State.

(b) Medicare supplement policies shall return aggregate benefits which are reasonable in relation to the premium charged. For the purpose of administering this Act and §§ 375, 375A, and 376 of this article, the Commissioner shall adopt reasonable regulations to establish minimum standards for loss ratios of Medicare supplement policies on the basis of incurred claims experience and earned premiums in accordance with accepted actuarial principles and practices which specify a loss ratio of:

(1) At least 75 percent of the aggregate amount of premiums earned in the case of group Medicare supplement policies; and

(2) At least [60] 65 percent of the aggregate amount of premiums earned in the case of individual Medicare supplement policies or subscriber contracts ISSUED OR RENEWED ON A POLICY ANNIVERSARY OCCURRING AFTER THE EFFECTIVE DATE OF THIS ACT.

(c) Every entity providing Medicare supplement policies or certificates in the State shall file annually with the Commissioner its rates, rating schedule, and supporting documentation demonstrating that it is in compliance with the applicable loss ratio standards of the State. All filings of rates and rating schedules shall demonstrate that the actual and expected losses in relation to premiums comply with the requirements of this Act.