

SENATE BILL 21

57TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2026

INTRODUCED BY

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This document may incorporate amendments proposed by a committee, but not yet adopted, as well as amendments that have been adopted during the current legislative session. The document is a tool to show amendments in context and cannot be used for the purpose of adding amendments to legislation.

AN ACT

RELATING TO HEALTH INSURANCE; REQUIRING ISSUERS OF MEDICARE
SUPPLEMENT POLICIES TO PROVIDE OPEN ENROLLMENT PERIODS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 59A-24A-3 NMSA 1978 (being Laws 1989,
Chapter 28, Section 3, as amended) is amended to read:

"59A-24A-3. DEFINITIONS.--As used in the Medicare
Supplement Act:

.233097.1SAAIC February 1, 2026 (8:43pm)

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A. "applicant" means:

(1) in the case of an individual medicare supplement policy, the person who seeks to contract for insurance benefits; ~~and~~ or

(2) in the case of a group medicare supplement policy, the proposed certificate holder;

B. "certificate" means any certificate delivered or issued for delivery in this state under a group medicare supplement policy;

C. "certificate form" means the document on which a certificate is delivered or issued for delivery;

D. "eligible policyholder" means a beneficiary of medicare coverage provided pursuant to part A or part B of Title 18 of the federal Social Security Act, as amended, who is sixty-five years of age or older SHPAC→and insured under a medicare supplement policy←SHPAC ;

~~[D.]~~ E. "issuer" means insurance companies, fraternal benefit societies, nonprofit health care plans, health maintenance organizations and any other entities that deliver or issue for delivery in this state medicare supplement policies or certificates;

~~[E.]~~ F. "medicare" means the federal Health Insurance for the Aged Act, Title XVIII of the Social Security Amendments of 1965, as then constituted or later amended;

~~[F.]~~ G. "medicare supplement policy" means:

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(1) a group policy as defined in Chapter 59A, Article 23 NMSA 1978;

(2) an individual policy as defined in Chapter 59A, Article 22 NMSA 1978; or

(3) a group or individual certificate issued pursuant to the Nonprofit Health Care Plan Law or the Health Maintenance Organization ~~[Act]~~ Law that is advertised, marketed or designed as a supplement to reimbursements under medicare for the hospital, medical or surgical expenses of persons eligible for medicare;

~~[G.]~~ H. "policy form" means the document on which a policy is delivered or issued for delivery by the issuer; and

~~[H.]~~ I. "superintendent" means the superintendent of insurance."

SECTION 2. A new section of the Medicare Supplement Act is enacted to read:

"[NEW MATERIAL] ANNUAL OPEN ENROLLMENT.--

A. Every issuer participating in the market for medicare supplement policies shall offer an annual open enrollment period to all eligible policyholders. Each eligible policyholder's open enrollment period shall commence with the first day of the eligible policyholder's birthday month and remain open for at least sixty days thereafter. During the open enrollment period:

(1) each eligible policyholder may purchase

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any medicare supplement policy of an equal or lesser value to the eligible policyholder's current medicare supplement policy offered in this state; and

(2) an issuer shall:

(a) guarantee the issuance of any medicare supplement policy offered in this state; and

(b) not deny, delay or condition the issuance or effectiveness, or discriminate in the price of coverage, of a medicare supplement policy based on the health status, claims, experience, receipt of health care or medical condition of an eligible policyholder.

B. A medicare supplement policy obtained by an eligible policyholder pursuant to Subsection A of this section shall not have any coverage exclusions related to preexisting conditions that would have been covered under the eligible policyholder's previous medicare supplement policy.

C. At least thirty days before the beginning of an eligible policyholder's open enrollment period, but not more than sixty days before the beginning of the open enrollment period, the issuer of an eligible policyholder's medicare supplement policy shall notify the eligible policyholder of:

(1) the dates on which the open enrollment period begins and ends;

(2) the rights provided to the eligible policyholder by this section; and

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(3) any modifications to the medicare supplement policy currently held by the eligible policyholder or any adjustments to the premiums charged for that policy.

D. The form and content of the notification required pursuant to Subsection C of this section shall be filed with and approved by the superintendent prior to distribution to eligible policyholders."

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