

# SENATE BILL 21 (2026) – MEDICARE SUPPLEMENT (MEDIGAP) ANNUAL OPEN ENROLLMENT

**Sponsors:** Senator Stefanics, Senator Campos, Senator Hickey, Senator Wilson, Senator Pat Woods, Representative Reena Szczepanski

## OVERVIEW

Senate Bill 21 establishes an annual Medigap open enrollment period with guaranteed issue protections for eligible Medicare beneficiaries age 65 and older.

**What is Medigap?** Medigap supplemental policies help Medicare beneficiaries enrolled in Original Medicare cover out-of-pocket costs including deductibles, copayments and coinsurance.

### What is guaranteed issue?

Guaranteed issue means health coverage is offered to applicants regardless of health status, age, or pre-existing conditions.

Under current law, most Medicare beneficiaries can only enroll in Medigap during a one-time, six-month window. After initial eligibility, federal rules do not address allowing policy holders to move between plans every year.

Unless state law is amended, policyholders may have to stay in their original plan, potentially leaving them with a plan that does not meet their health needs and exposes them to unaffordable costs.

# Expanding Medicare Supplemental Consumer Protections to over 70,000 New Mexicans

## WHY IT MATTERS



### Improves Consumer Protection

Annual guaranteed enrollment ensures that beneficiaries—particularly those with chronic or worsening health conditions—can change plans when they need it.



### Promotes Market Stability

Periodic guaranteed enrollment supports more balanced Medicare Supplement risk pools by reducing the current dynamic where only healthy enrollees can switch plans.\* By expanding guaranteed issue opportunities, SB 21 would help level the playing field, promote more balanced risk pools, and support a more stable and competitive Medicare Supplement market with increased coverage options for beneficiaries.



### Supports Aging New Mexicans

New Mexico has **462,936 Medicare beneficiaries** (including Medicare Advantage and Original Medicare) (as of Sept. 2024), including **71,380 Medigap enrollees**. Annual enrollment expands access to certainty and affordability for thousands of residents.

## KEY PROVISIONS OF SB 21



### Annual Open Enrollment - "Birthday Rule"

The Medicare Supplement Birthday Rule provides an annual window during which policyholders can switch their Medigap plans around their birthday without being subject to medical underwriting.



### Limited Time Frame

Beneficiaries have a limited time frame of 60 days to make changes to their policy during their open enrollment period.



### Guaranteed Issue Rights

The Medicare Supplement Birthday Rule means that when switching plans, insurance companies must offer coverage without medical underwriting. This means that insurance companies cannot deny coverage or charge higher premiums based on the individual's health status.



### Same or Lesser Coverage

Allows policyholders to switch from one Medigap plan to another only if the new plan has the same or lesser coverage compared to their current plan.



### Required Notification

Provides for timely notifications to eligible policyholders related to the timing of the open enrollment period and the rights related to any modifications to the policy.

## States with Continuous or Annual Guaranteed Issue Protections

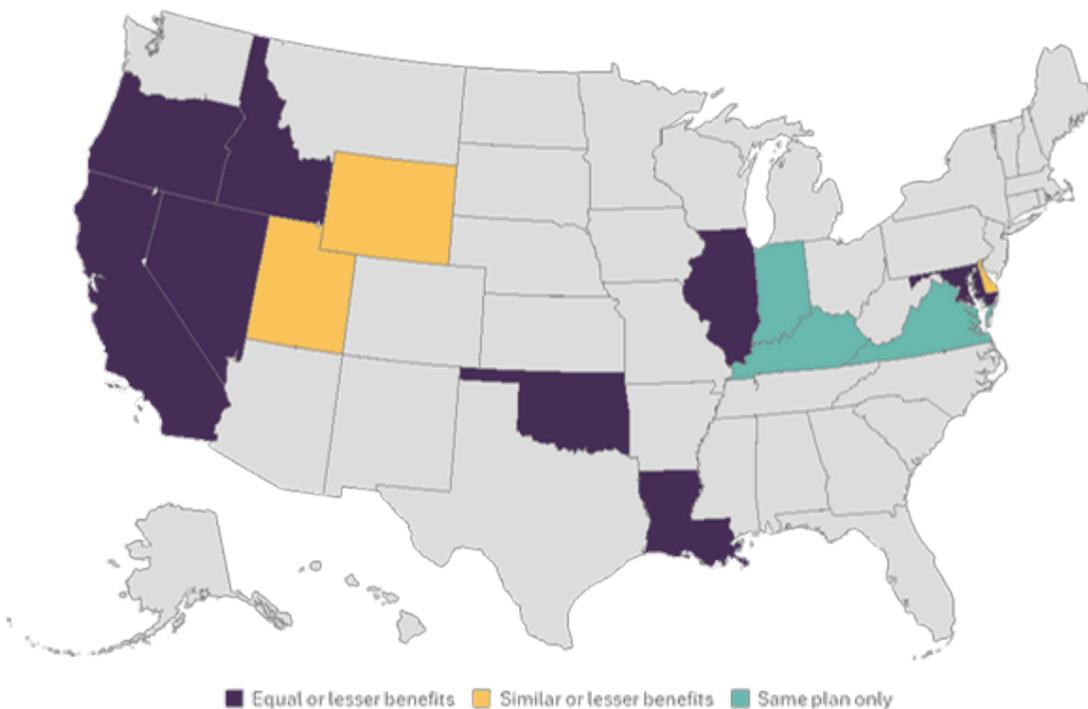
- **New York & Connecticut:** Require insurers to offer Medigap policies year-round on a guaranteed issue basis.
- **Massachusetts:** Provides continuous open enrollment with standardized plans.

## States with Birthday or Anniversary Rules

- **California, Oregon, Idaho, Kentucky, Louisiana, Oklahoma, Maryland, Nevada, Utah, Virginia, Wyoming:** Allow annual plan changes around a beneficiary’s birthday.
- **Illinois:** Allows annual Medigap plan changes during a defined enrollment window.

SB 21 follows a **national trend** toward expanding guaranteed issue protections while limiting eligibility to individuals already enrolled in Medigap and allowing movement only to equal or lesser benefit plans.

## MEDIGAP BIRTHDAY RULES BY STATE (2025)\*\*



## National Context: Medigap Guaranteed Issue Best Practices

Several states have adopted broader Medigap consumer protections beyond federal minimum requirements. Best practices include recurring enrollment opportunities and expanded guaranteed issue rights.

As of 2025, several states have adopted various versions of the birthday rule, which offer guaranteed issue opportunities for Medigap policy holders.

## Related Information & References

[www.ncoa.org/article/medigap-open-enrollment-period](http://www.ncoa.org/article/medigap-open-enrollment-period)

[www.cms.gov/medicare/enrollment-renewal/original-part-a-b](http://www.cms.gov/medicare/enrollment-renewal/original-part-a-b)

[acl.gov/programs/connecting-people-services/state-health-insurance-assistance-program-ship](http://acl.gov/programs/connecting-people-services/state-health-insurance-assistance-program-ship)

[www.kff.org/medicare/medigap-may-be-elusive-for-medicare-beneficiaries-with-pre-existing-conditions](http://www.kff.org/medicare/medigap-may-be-elusive-for-medicare-beneficiaries-with-pre-existing-conditions)

\*New Mexico Office of Superintendent of Insurance (OSI)

\*\*NAIC survey: Medigap birthday rule 2025