

Informal Working Draft and Request for Comments on Medicare Supplement Rule Updates

Texas Administrative Code, Title 28, Chapter 3, Subchapter T

Posting date: September 4, 2025

Comments due: October 2, 2025

The Texas Department of Insurance (TDI) has prepared an informal working draft of a rule to amend Title 28, Texas Administrative Code, Sections 3.3309, 3.3312 and 3.3324, relating to Medicare supplement plans.

The draft rule would implement [House Bill 2516](#), 89th Legislature, 2025, which became effective on June 20, 2025. In addition to conforming amendments, the draft rule would create an additional open enrollment period for individuals with end stage renal disease (ESRD) or amyotrophic lateral sclerosis (ALS) and require issuers to provide notice of the open enrollment period to current pre-65 Medicare supplement insureds.

The draft rule would also address concerns from stakeholders that some Medicare supplement issuers have repeatedly closed maturing blocks of business while opening new blocks with affiliates to avoid the current five-year bar on discontinuances found in Section 3.3322. The draft rule would require that insureds be given an ongoing opportunity to change to other similar plans or plans with less generous coverage offered by the discontinuing issuer and its affiliates and notice of this opportunity at the time of any rate increase.

The draft rule would also:

- add to the plan options available to individuals who were eligible for Medicare before January 1, 2020, and who become eligible for an additional guaranteed issue enrollment period (under current rules) to include Plans D and G (if offered by the issuer);
- clarify that disabled insureds who first enroll in Medicare before age 65 have the same open enrollment opportunity as other individuals when they reach age 65, at which time they can select any plan type; and
- require that issuers notify disabled insureds of their rights when they turn 65 and automatically re-rate those insureds.

TDI seeks input on this draft rule, including input from industry on any costs associated with complying with the informal rule text that are not imposed by the statute. This input will inform the analyses that TDI must include under Government Code Chapter 2001

when it prepares the formal rule proposal. TDI believes that the industry is already complying with most of the provisions in the draft or that any costs not required by HB 2516 would be minimal. If you feel this is wrong, please provide your input to help us understand the additional costs.

TDI invites your input on the informal working draft. This is an informal posting intended to get comments from stakeholders and the public and is not a formal publication for rulemaking.

The comment period for this informal working draft closes at 5 p.m. Central time, on October 2, 2025. Submit comments to Amelia Berry in the Life and Health Division at LHLComments@tdi.texas.gov or call 512-676-6674 for more information about this informal working draft.

[Continue to Medicare Supplement Rule Updates – Informal Working Draft](#)