February 20th, 2024

The Honorable Catherine Blakespear  
1021 O Street, Ste 7340  
Sacramento, CA 95814

RE: SB 1236 (Blakespear), Right to Medigap Coverage for All

Dear Senator Blakespear:

The California Alliance for Retired Americans (CARA), one of the state’s foremost grassroots senior and disability advocacy organizations, representing over 1 million Californians, is proud to cosponsor SB 1236, which will establish a right to guaranteed issue for all Medicare patients seeking Medigap supplemental coverage. In addition, the bill creates an annual open enrollment period.

Medigap is a health insurance policy that helps cover the costs that traditional or “fee-for-service” Medicare do not cover. Medigap works as an extra insurance plan alongside Medicare Parts A and B, helping to cover various out-of-pocket expenses such as deductibles, copayments, and co-insurance. This is especially important for patients that have higher than average healthcare needs and face high out-of-pocket costs.

Guaranteed issue and community rating in the Medigap insurance market can help patients better afford their care. Without guaranteed issue and community rating, companies can deny patients access to Medigap plans entirely or charge much higher rates based on health and age. For seniors, these two policy changes will simplify the complex Medicare market, helping patients get the right coverage at the right time. Moreover, guaranteed issue enables Medicare Advantage enrollees to switch to traditional Medicare with a Medigap supplement, providing more choice for California’s senior population, and protection from exorbitant out of pocket costs.

Together, we can eliminate using pre-existing conditions against patients in need of supplemental Medigap coverage and make coverage more affordable for California’s seniors. For these reasons, CARA is in strong support of SB 1236 and we thank you for authoring this critical legislation.

Sincerely,

Hene Kelly  
Chair, Legislative Committee

Keith Umemoto  
Co-Chair, Legislative Committee

California Alliance for Retired Americans (CARA)  
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Cindy Young
Co-Chair, Legislative Committee
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