

Senate Bill 329

By: Senators Seabaugh of the 28th, Golden of the 8th, Lamutt of the 21st, Shafer of the 48th and Dean of the 31st

**AS PASSED**

**A BILL TO BE ENTITLED  
AN ACT**

1 To amend Title 33 of the Official Code of Georgia Annotated, relating to insurance, so as to  
2 enact the "Spending Account and Consumer Driven Health Plan Advancement Act"; to  
3 provide a short title; to provide for legislative intent and purposes; to provide definitions; to  
4 authorize the issuance of spending account plans and consumer driven health plans for  
5 individuals and groups; to provide for the payment for health care services; to provide for the  
6 features of such plans; to provide for certain contractual provisions; to provide for limitations  
7 on contracts issued; to provide for certain prohibitions; to provide for related matters; to  
8 repeal conflicting laws; and for other purposes.

9 **BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:**

10 **SECTION 1.**

11 Title 33 of the Official Code of Georgia Annotated, relating to insurance, is amended by  
12 adding a new Chapter 30B to read as follows:

13 **"CHAPTER 30B**

14 33-30B-1.

15 This chapter shall be known and may be cited as the 'Spending Account and Consumer  
16 Driven Health Plan Advancement Act.'

17 33-30B-2.

18 The purposes of this chapter are to provide enabling provisions for spending accounts and  
19 consumer driven health plans, provide statutory authorization for the establishment of such  
20 plans, and facilitate the advancement of such plans as a response to escalating costs of  
21 health care plans in this state. This chapter shall be construed and interpreted liberally to  
22 effectuate these purposes in as broad a manner as possible.

1 33-30B-3.

2 As used in this chapter, the term:

3 (1) 'Consumer driven health plan' means a plan for the provision or reimbursement of  
4 health care services that makes available to enrolled individuals information on health,  
5 health care, the pricing of health care, and the pricing of health care services by particular  
6 providers. Such plan may, but is not required to, include a spending account feature and  
7 may either rely upon indemnity reimbursements for services or contracted amounts for  
8 health care services from providers.

9 (2) 'Plan' means an agreement between an individual and a plan sponsor or a declaration  
10 by an individual which defines services and benefit levels for which reimbursements will  
11 be made.

12 (3) 'Plan sponsor' means the group or individual entering into a contract with an insurer  
13 under which the insurer provides reimbursement to the plan for expenditures or  
14 obligations incurred for the provision of health care services over and above a certain  
15 attachment point.

16 (4) 'Spending account' includes, but is not limited to, medical spending accounts, health  
17 reimbursement arrangements, pre-tax benefit spending accounts, and other forms of  
18 funding for health care goods and services. As such, the source of funding may be from  
19 an individual, an employer, an employee, or an combination of sources, as appropriate.

20 33-30B-4.

21 (a) A spending account plan or consumer driven health plan may be written in this state  
22 for a group or for an individual. Such plan may contain a spending account feature which  
23 will provide the first-dollar payments for health care services up to a designated amount.  
24 Group plans may, but are not required to, provide for a uniform spending account limit.  
25 An individual plan may incorporate a spending account feature with a limit not exceeding  
26 \$10,000.00 annually.

27 (b) All spending accounts shall be in the name of the individual for which the spending  
28 account has been established but may be administered in accordance with the applicable  
29 plan.

30 33-30B-5.

31 For any plan having a spending account feature, the amount of the spending account is not  
32 required to be the same as the attachment point for insurance reimbursements. If the  
33 attachment point for insurance reimbursements to the plan is higher than the amount  
34 contained in the spending account, a notice describing the monetary gap for which an  
35 individual will be liable shall be given to the holder of the spending account.

1 33-30B-6.

2 The insurance contract providing reimbursements for expenditures for health care services  
3 incurred by the plan may be a stop-loss, specific excess and aggregate, or other similar  
4 contract. It may be written by an insurer licensed for life, accident, and sickness insurance  
5 under Code Section 33-7-2 or by an insurer licensed for casualty insurance under Code  
6 Section 33-7-3. In either case, the contract shall be in the name of the plan as the contract  
7 holder and shall contain at least the following:

- 8 (1) The attachment point after which the payments by the insurer will be made;
- 9 (2) The amounts for allowable spending accounts;
- 10 (3) An attachment containing the plan document;
- 11 (4) A conspicuous disclosure on the first page of the contract that it is not a policy of  
12 accident and sickness insurance; and
- 13 (5) All other relevant terms and conditions.

14 33-30B-7.

15 (a) A stop-loss or specific excess and aggregate contract issued under this chapter shall not  
16 be construed or interpreted as an accident and sickness insurance policy.

17 (b) No stop-loss or specific excess and aggregate policy may be cancelled or nonrenewed  
18 because of the level of health care claims."

19 **SECTION 2.**

20 All laws and parts of laws in conflict with this Act are repealed.