

House Bill 1302

By: Representatives Lunsford of the 85th, Post 2, Buckner of the 82nd, Westmoreland of the 86th, Burmeister of the 96th, Greene-Johnson of the 60th, Post 3, and others

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 "Small Business Employee Choice of Benefits Health Insurance Plan Act"; to
3 provide a short title; to provide for legislative intent; to provide definitions; to provide that
4 Small Business Employee Choice of Benefits Health Insurance Plan policies or contracts not
5 subject to state mandated health benefits must be offered in addition to policies or contracts
6 subject to state mandated health benefits by insurers to group or individual policyholders; to
7 provide exceptions; to repeal conflicting laws; and for other purposes.

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

9 **SECTION 1.**

10 Title 33 of the Official Code of Georgia Annotated, relating to insurance, is amended by
11 adding a new Chapter 59 to read as follows:

12 **"CHAPTER 59**

13 33-59-1.

14 This chapter shall be known and may be cited as the 'Small Business Employee Choice of
15 Benefits Health Insurance Plan Act.'

16 33-59-2.

17 The General Assembly recognizes the need for employers and individuals in this state to
18 have the opportunity to choose group and individual health insurance plans that are more
19 affordable and flexible than standard market policies of accident and sickness insurance
20 and the need to increase the availability of health insurance coverage by authorizing the
21 transaction of this type of plan or policy by accident and sickness insurers licensed to
22 transact business in this state. This chapter shall require insurers to offer policies that
23 contain all state mandated health benefits and policies that do not contain any state

1 mandated health benefits; provided, however, that, on and after July 1, 2004, it is explicitly
 2 intended that employees in group plans or individuals may choose pursuant to this chapter
 3 either of the new health insurance plans offered by insurers that may exclude or include
 4 state mandated health benefits.

5 33-59-3.

6 As used in this chapter, the term:

7 (1) 'Group' means any employer group of 50 employees or less.

8 (2) 'Health benefits plan' means the Small Business Employee Choice of Benefits Health
 9 Insurance Plan.

10 (3) 'Insurer' means any insurer or nonprofit organization authorized to sell accident and
 11 sickness policies, subscriber contracts, certificates, or agreements of any form under
 12 Chapters 15, 18, 19, 20, 21, 29, and 30 of this title.

13 (4)(A) 'State mandated health benefits' means coverages for health care services or
 14 benefits, required by state law or state regulations, requiring the reimbursement or
 15 utilization related to specific health illnesses, injuries, or conditions of the covered
 16 person or inclusion of a specific category of licensed health care practitioner to be
 17 provided to the covered person in an individual, blanket, or group policy or contract for
 18 a health related condition of a covered person including, but not limited to, those
 19 contained in Code Sections 31-17-4.1, 33-24-24, 33-24-27, 33-24-27.1, 33-24-27.2,
 20 33-24-28.3, 33-24-28.4, 33-24-56, 33-24-56.2, 33-24-56.3, 33-24-58.2, 33-24-59,
 21 33-24-59.1, 33-24-59.2, 33-24-59.6, 33-24-59.8, 33-24-59.9, 33-24-59.10, 33-24-72,
 22 33-29-3.2, 33-29-3.4, 33-29-6, 33-29-20, 33-30-4.2, 33-30-4.3, 33-30-4.5, 33-30-7,
 23 33-30-14, and 33-53-2.

24 (B) 'State mandated health benefits' does not mean standard provisions or rights
 25 required to be present in an individual, blanket, or group policy or contract for accident
 26 and sickness insurance pursuant to state law or regulations unrelated to specific health
 27 illnesses, injuries, or conditions of the insured, including, but not limited to, those
 28 related to continuation of coverage in Code Section 33-24-21.1, Code Section
 29 33-24-21.2, paragraph (4) of Code Section 33-30-4, and paragraph (8) of subsection (b)
 30 of Code Section 33-30-6; entitlement to conversion privileges in Code Section
 31 33-24-21.1; termination of coverage in Code Sections 33-24-21 and 33-24-28; or
 32 coverage of newly born or adopted children in Code Section 33-24-22.

33 33-59-4.

34 Notwithstanding any other provision of law and from and after July 1, 2004:

1 (1) In addition to offering within this state group accident and sickness policies or
 2 contracts that must contain state mandated health benefits, any insurer authorized to
 3 transact business in this state shall be required to offer through a licensed agent or
 4 agency, as an option, one or more group health benefit plans which do not provide state
 5 mandated health benefits; and

6 (2) In addition to offering within this state individual accident and sickness policies or
 7 contracts that must contain state mandated health benefits, any insurer authorized to
 8 transact business in this state shall be authorized to offer through a licensed agent or
 9 agency, as an option, one or more individual health benefit plans which do not provide
 10 state mandated health benefits.

11 33-59-5.

12 In each sale of accident and sickness policies or contracts in which the proposed group or
 13 individual policyholder has chosen a health benefits plan which does not provide state
 14 mandated health benefits, the insurer shall:

15 (1) Provide to the proposed group or individual policyholder a written notice at the
 16 beginning of the written application for the health benefits plan the following language
 17 in boldface type:

18 'You have the option to choose this Small Business Employee Choice of Benefits
 19 Health Insurance Plan which does not provide state mandated health benefits normally
 20 required in accident and sickness insurance policies in Georgia. This health benefits
 21 plan may provide a more affordable health insurance policy for you, although, at the
 22 same time, it may provide you with fewer health benefits than those normally included
 23 as state mandated health benefits in policies in Georgia. If you choose this option,
 24 please consult with your insurance agent to discover which state mandated health
 25 benefits are excluded in this policy.';

26 (2) Provide a form to be signed by the proposed group participant or individual
 27 policyholder acknowledging that the health benefits plan being purchased by the group
 28 participant or individual policyholder does not provide the state mandated health benefits
 29 listed on the form; and

30 (3) Maintain the signed acknowledgment forms to provide information as may be needed
 31 by the Commissioner of Insurance.

32 33-59-6.

33 The Commissioner of Insurance may promulgate rules and regulations as necessary to
 34 implement the provisions of this chapter."

1 **SECTION 2.**

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