

Senate Bill 16 - Prefile

By: Senator Golden of the 8th

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

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

8 **SECTION 1.**

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

11 **"CHAPTER 59**

12 33-59-1.

13 This chapter may be known and may be cited as the 'Georgia Consumer Choice of Benefits  
14 Health Insurance Plan Act.'

15 33-59-2.

16 The General Assembly recognizes the need for employers and individuals in this state to  
17 have the opportunity to choose group and individual health insurance plans that are more  
18 affordable and flexible than standard market policies of accident and sickness insurance  
19 and the need to increase the availability of health insurance coverage by authorizing the  
20 transaction of this type of plan or policy by accident and sickness insurers licensed to  
21 transact business in this state. This chapter shall in no way prevent insurers from offering  
22 any coverages that are offered or mandated under this title; provided, however, that, on and  
23 after July 1, 2005, it is explicitly intended that employers or individuals may choose

1 pursuant to this chapter new health insurance plans offered by insurers that may exclude  
2 in whole or in part state mandated health benefits.

3 33-59-3.

4 As used in this chapter, the term:

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

6 (2) 'Health benefits plan' means the Georgia Consumer Choice of Benefits Health  
7 Insurance Plan.

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

11 (4)(A) 'State mandated health benefits' means coverages for health care services or  
12 benefits, required by state law or state regulations, requiring the reimbursement or  
13 utilization related to specific health illnesses, injuries, or conditions of the covered  
14 person, or inclusion of a specific category of licensed health care practitioner to be  
15 provided to the covered person in an individual, blanket, or group policy or contract for  
16 a health related condition of a covered person including, but not limited to, those  
17 contained in Code Sections 31-17-4.1, 33-24-24, 33-24-27, 33-24-27.1, 33-24-27.2,  
18 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,  
19 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,  
20 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,  
21 33-30-14, and 33-53-2.

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

31 33-59-4.

32 Notwithstanding any other provision of law and from and after July 1, 2005:

33 (1) In addition to offering within this state group accident and sickness policies or  
34 contracts that must contain state mandated health benefits, any insurer authorized to  
35 transact business in this state shall be authorized to offer through a licensed agent or

1 agency, as an option, one or more group health benefit plans which, either in whole or in  
2 part, do not provide state mandated health benefits; and

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

8 33-59-5.

9 In each sale of accident and sickness policies or contracts in which the proposed group or  
10 individual policyholder has chosen a health benefits plan which, either in whole or in part,  
11 does not provide state mandated health benefits, the insurer shall:

12 (1) Provide to the proposed group or individual policyholder a written notice at the  
13 beginning of the written application for the health benefits plan the following language  
14 in bold type:

15 'You have the option to choose this Consumer Choice of Benefits Health Insurance Plan  
16 which, either in whole or in part, does not provide state mandated health benefits  
17 normally required in accident and sickness insurance policies in Georgia. This health  
18 benefits plan may provide a more affordable health insurance policy for you, although,  
19 at the same time, it may provide you with fewer health benefits than those plans that  
20 include state mandated health benefits. If you choose this option, please consult with  
21 your insurance agent to discover which state mandated health benefits are excluded  
22 from this policy.';

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

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

28 33-59-6.

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

## 31 **SECTION 2.**

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