

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.