

The Senate Insurance and Labor Committee offered the following substitute to HB 1456:

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 29 of Title 33 of the Official Code of Georgia Annotated, relating to
2 individual accident and sickness insurance, so as to provide an exception for certain matters
3 concerning renewability of individual accident and sickness policies; to provide for the
4 Commissioner to promulgate rules and regulations; to provide availability of an accident and
5 sickness policy upon termination of dependent coverage based on the age of the dependent;
6 to provide for related matters; to repeal conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Chapter 29 of Title 33 of the Official Code of Georgia Annotated, relating to individual
10 accident and sickness insurance, is amended by striking Code Section 33-29-9, relating to
11 requirements as to references in policies to noncancelable nature or guaranteed renewability
12 nature of individual accident and sickness insurance, and inserting in its place a new Code
13 section to read as follows:

14 "33-29-9.

15 (a) No policy of accident or sickness insurance shall refer to its noncancelable nature
16 without at the same time disclosing all options the insurer may have in regard to
17 renewability; and the guaranteed renewable nature of any such policy shall not be
18 referred to unless the reference at the same time discloses the qualifications on the
19 guarantee of renewability, including any age limits, any right to change premium rates
20 by class, any aggregate provisions, and any other limitations on the right to renewal in
21 a manner which shall not minimize or render obscure the qualifying conditions.

22 (b) An insurer operating in the major medical or comprehensive, guaranteed renewable
23 business in the State of Georgia shall permit an insured to change his or her major
24 medical or comprehensive coverage, upon election at any renewal, to a comparable
25 product currently offered by that insurer or a product currently offered by that insurer
26 with more limited product benefits; to a product with higher deductibles; or to modify his

1 or her existing coverage to elect any optional higher deductibles under that policy. If
 2 such product, benefit, or deductible change is elected by the insured during the 60 day
 3 required period after notice of renewal premium increase but before renewal date, such
 4 insured shall not be subject to any new preexisting conditions exclusion that did not apply
 5 to his or her original coverage.

6 (c) The Commissioner shall adopt such rules and regulations as he or she deems
 7 necessary for the administration of this Code section."

8 **SECTION 2.**

9 Said chapter is further amended by adding a new Code Section 33-29-21.1 to read as follows:

10 "33-29-21.1.

11 Every policy which contains a provision for termination of coverage of a dependent upon
 12 the reaching of a certain age shall contain a provision to the effect that, upon the date of the
 13 dependent reaching the age at which coverage would terminate under the provisions of the
 14 policy, the dependent shall be entitled to have issued to him or her, without evidence of
 15 insurability, upon application made to the company within 31 days following the date the
 16 dependent reaches the age at which coverage would terminate and upon the payment of the
 17 appropriate premium, an individual or family policy of accident and sickness insurance
 18 then being issued by the insurer which provides coverage most nearly similar to the
 19 coverage contained in the policy which was terminated by reason of dependent reaching
 20 a certain age or any similar individual or family policy then being issued by the insurer
 21 which contains lesser coverage. Any and all probationary or waiting periods set forth in
 22 such an individual or family policy shall be considered as being met to the extent coverage
 23 was in force under the prior policy."

24 **SECTION 3.**

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