

## COMMITTEE OF CONFERENCE SUBSTITUTE TO HB 1257

A BILL TO BE ENTITLED  
AN ACT

1 To amend Chapter 11 of Title 31 of the Official Code of Georgia Annotated, relating to  
 2 emergency medical services, so as to revise certain definitions; to change certain provisions  
 3 relating to evaluation of a person with an emergency condition and initiation of intervention  
 4 without prospective authorization; to amend Title 33 of the Official Code of Georgia  
 5 Annotated, relating to insurance, so as to provide for an exemption for certain high  
 6 deductible health plans sold or maintained in connection with a health savings account with  
 7 respect to state insurance premium taxes; to change certain provisions relating to emergency  
 8 services requirements; to change certain provisions relating to payments to nonparticipating  
 9 and nonpreferred providers of health care services; to change certain provisions relating to  
 10 health benefit plans providing incentives to use services of preferred providers; to exempt  
 11 certain change of address filings by agents, subagents, counselors, and adjusters from a fee;  
 12 to provide for certain qualifications for a counselor's license; to provide for the maintenance  
 13 by the Commissioner of Insurance of the address of the place of business of agents,  
 14 subagents, counselors, and adjusters; to amend Chapter 7 of Title 48 of the Official Code of  
 15 Georgia Annotated, relating to income taxes, so as to provide that the taxable net income of  
 16 any taxpayer of this state shall not include premiums paid for high deductible health plans  
 17 established and used with a health savings account; to provide for conditions and limitations;  
 18 to provide for related matters; to provide for effective dates; to provide for applicability; to  
 19 repeal conflicting laws; and for other purposes.

20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

## SECTION 1.

21 Chapter 11 of Title 31 of the Official Code of Georgia Annotated, relating to emergency  
 22 medical services, is amended by striking paragraphs (2) and (3) of Code Section 31-11-81,  
 23 relating to definitions, in their entirety and inserting in lieu thereof the following:  
 24

25 "(2) 'Emergency medical provider' means any provider of emergency medical  
 26 transportation licensed or permitted by the Georgia Department of Human Resources, any

1 hospital licensed or permitted by the Georgia Department of Human Resources, any  
 2 hospital based service, or any physician licensed by the Composite State Board of  
 3 Medical Examiners who provides emergency services.

4 (3) 'Emergency services' means emergency medical transportation or health care services  
 5 provided in a hospital emergency facility to evaluate and treat any emergency condition."

## 6 SECTION 2.

7 Said chapter is further amended in Code Section 31-11-82, relating to evaluation of a person  
 8 with an emergency condition and initiation of intervention without prospective authorization,  
 9 by striking subsection (b) in its entirety and inserting a new subsection (b) to read as follows:

10 "(b) If in the opinion of the attending physician or licensed ambulance service personnel  
 11 acting under the medical direction of an ambulance service medical director as defined in  
 12 Code Section 31-11-60.1 the evaluation provided under subsection (a) of this Code section  
 13 warrants, he or she may initiate appropriate intervention to stabilize the condition of the  
 14 patient without seeking or receiving prospective authorization by an insurer, a health  
 15 maintenance organization, or a private health benefit plan. No insurer, health maintenance  
 16 organization, or private health benefit plan may subsequently deny payment for an  
 17 evaluation, diagnostic testing, or treatment provided as part of such intervention for an  
 18 emergency condition."

## 19 SECTION 3.

20 Title 33 of the Official Code of Georgia Annotated, relating to insurance, is amended by  
 21 inserting a new subsection (c) in Code Section 33-8-4, relating to amount and method of  
 22 computing tax on insurance premiums generally, to read as follows:

23 "(c) Insurers may claim an exemption from otherwise applicable state premium taxes as  
 24 provided for in subsection (a) of this Code section in an amount equal to 2.25 percent of  
 25 the premiums such insurers collect during the applicable tax year from Georgia residents  
 26 on premiums paid for high deductible health plans sold or maintained in connection with  
 27 a health savings account under the applicable provisions of Section 223 of the Internal  
 28 Revenue Code."

## 29 SECTION 4.

30 Said title is further amended by striking subparagraph (A) of paragraph (1) of Code Section  
 31 33-20A-9, relating to emergency services requirements, in its entirety and inserting in lieu  
 32 thereof the following:

33 "(1)(A) In the event that a patient seeks emergency services and if necessary in the  
 34 opinion of the emergency health care provider responsible for the patient's emergency

1 care and treatment and warranted by his or her evaluation, such emergency provider  
 2 may initiate necessary intervention to stabilize the condition of the patient without  
 3 seeking or receiving prospective authorization by the managed care entity or managed  
 4 care plan. No managed care entity or private health benefit plan may subsequently deny  
 5 payment for an evaluation, diagnostic testing, or treatment provided as part of such  
 6 intervention for an emergency condition. For purposes of this Code section, the term  
 7 'emergency health care provider' includes without limitation an emergency services  
 8 provider and a licensed ambulance service providing 911 emergency medical  
 9 transportation."

#### 10 SECTION 5.

11 Said title is further amended by striking subsection (a) of Code Section 33-24-54, relating  
 12 to payments to nonparticipating or nonpreferred providers of health care services, in its  
 13 entirety and inserting in lieu thereof a new subsection (a) to read as follows:

14 "(a) Notwithstanding any provisions of Code Sections 33-1-3, 33-1-5, and 33-24-17 and  
 15 Chapter 20 of this title or any other provisions of this title which might be construed to the  
 16 contrary, whenever an accident and sickness insurance policy, subscriber contract, or  
 17 self-insured health benefit plan, by whatever name called, which is issued or administered  
 18 by a person licensed under this title provides that any of its benefits are payable to a  
 19 participating or preferred provider of health care services licensed under the provisions of  
 20 Chapter 4 of Title 26 or of Chapter 9, 11, 30, 34, 35, or 39 of Title 43 or of Chapter 11 of  
 21 Title 31 for services rendered, the person licensed under this title shall be required to pay  
 22 such benefits either directly to any similarly licensed nonparticipating or nonpreferred  
 23 provider who has rendered such services, has a written assignment of benefits, and has  
 24 caused written notice of such assignment to be given to the person licensed under this title  
 25 or jointly to such nonparticipating or nonpreferred provider and to the insured, subscriber,  
 26 or other covered person; provided, however, that in either case the person licensed under  
 27 this title shall be required to send such benefit payments directly to the provider who has  
 28 the written assignment. When payment is made directly to a provider of health care  
 29 services as authorized by this Code section, the person licensed under this title shall give  
 30 written notice of such payment to the insured, subscriber, or other covered person."

#### 31 SECTION 6.

32 Said title is further amended by adding to the end of Code Section 33-30-24, relating to  
 33 health benefit plans providing certain incentives, the following:

34 "For purposes of this Code section, when a request for emergency care is made through the  
 35 emergency 9-1-1 system on behalf of a covered person and the ambulance service licensed

1 under Chapter 11 of Title 31 that was dispatched in response to the request is not a  
2 preferred provider, for purposes of payment under paragraph (1) of this Code section, it  
3 shall be presumed that the covered person could not reasonably reach a preferred provider."

4 **SECTION 7.**

5 Said title is further amended by striking subparagraph (AA) of paragraph (6) of Code Section  
6 33-8-1, relating to fees and charges generally, and inserting in lieu thereof a new  
7 subparagraph (AA) to read as follows:

8 "(AA) Amendment of filings ..... 25.00

9 Provided, however, that the Commissioner, in his or her discretion, may  
10 exempt from such fee change of address filings done off line by agents,  
11 subagents, counselors, and adjusters.

12 (AA.1) Change of address filings done on line by agents, subagents,  
13 counselors, and adjusters ..... No charge"

14 **SECTION 8.**

15 Said title is further amended by striking paragraph (6) of subsection (a) of Code Section  
16 33-23-5, relating to qualifications and requirements for license, and inserting in lieu thereof  
17 a new paragraph (6) to read as follows:

18 "(6) If applying for a license as counselor, the applicant must show that he or she either  
19 has had five years' experience ~~acting as either~~ as an agent, subagent, or adjuster or in  
20 some other phase of the insurance business or has sufficient teaching or educational  
21 qualifications or experience which, in the opinion of the Commissioner, has qualified the  
22 applicant to act as such counselor; and the applicant shall pass such examination as shall  
23 be required by the Commissioner unless the applicant is exempted by the Commissioner,  
24 based on the applicant's experience and qualifications and pursuant to a regulation  
25 adopted by the Commissioner;".

26 **SECTION 9.**

27 Said title is further amended by striking Code Section 33-23-25, relating to place of business,  
28 and inserting a new Code Section 33-23-25 to read as follows:

29 "33-23-25.

30 Every licensed agent, subagent, counselor, and adjuster shall have and maintain in this state  
31 or, if a nonresident licensee, in the state of domicile, a place of business accessible to the  
32 public. The place of business shall be that wherein the licensee principally conducts  
33 transactions pursuant to the license. The address of the place of business shall ~~appear on~~

1 ~~all licenses of the resident licensee~~ be maintained by the Commissioner. All resident and  
2 nonresident licensees shall promptly notify the Commissioner in writing within 30 days of  
3 any change in the business address."

#### 4 **SECTION 10.**

5 Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to income taxes,  
6 is amended by inserting a new paragraph (13.1) in subsection (a) of Code Section 48-7-27,  
7 relating to computation of taxable net income, to read as follows:

8 "(13.1) An amount equal to 100 percent of the premium paid by the taxpayer during the  
9 taxable year for high deductible health plans established and used with a health savings  
10 account under the applicable provisions of Section 223 of the Internal Revenue Code to  
11 the extent the deduction has not been included in federal adjusted gross income, as  
12 defined under the Internal Revenue Code of 1986, and the expenses have not been  
13 included in itemized nonbusiness deductions. "

#### 14 **SECTION 11.**

15 (a) Except as provided in subsection (b) of this section, this Act shall become effective on  
16 July 1, 2006.

17 (b) Sections 3 and 10 of this Act shall become effective on January 1, 2007, and shall be  
18 applicable to all taxable years beginning on and after January 1, 2007.

#### 19 **SECTION 12.**

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