

The Senate Insurance and Labor Committee offered the following substitute to HB 544:

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 provide that any plan or arrangement established or maintained by two or more accredited
3 independent nonproprietary institutions of higher education located in this state is not subject
4 to the requirements relating to multiple employer self-insured health plans; to provide that
5 the Commissioner of Insurance shall be authorized to allow health reimbursement
6 arrangement only plans that encourage employer financial support of health insurance or
7 health related expenses recognized under the rules of the federal Internal Revenue Service
8 to be approved for sale in connection with or packaged with individual health insurance
9 policies otherwise approved by the Commissioner; to provide for related matters; to repeal
10 conflicting laws; and for other purposes.

11 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

12 Title 33 of the Official Code of Georgia Annotated, relating to insurance, is amended by
13 revising subsection (b) of Code Section 33-50-2, relating to a required license for any
14 multiple employer self-insured health plan to transact business in this state and health plans
15 of municipalities, counties, or other political subdivisions, as follows:
16

17 "(b) This chapter does not apply to any plan or arrangement established or maintained by
18 municipalities, counties, or other political subdivisions of ~~the~~ this state; any multiple
19 employer self-insured health plan which is not subject to the application of state insurance
20 laws under the provisions of the Employee Retirement Income Security Act of 1974, 29
21 U.S.C. Section 1001, et seq.; to organizations established under the authority of or
22 receiving funds pursuant to 42 U.S.C. Section 254(b) or 254(c), the federal Public Health
23 Service Act; any other nonprofit organization exempt from federal taxation whose primary
24 purpose is providing access to primary health care services for indigent citizens of Georgia;
25 ~~or to~~ any plan or arrangement established or maintained by a nonprofit educational
26 organization with assets of more than \$100 million for the benefit of the employees of such

1 organization and the employees of any affiliated or associated persons, firms, associations,
 2 or corporations which perform functions related to those of such educational organization
 3 or of which a majority of the membership of the governing body is composed of employees
 4 or members of the governing body of the nonprofit educational organization; or to any plan
 5 or arrangement established or maintained, directly or through a legal entity, by two or more
 6 accredited independent nonproprietary institutions of higher education located in this state,
 7 which such institutions have combined assets of more than \$100 million and are members
 8 of the Georgia nonprofit corporation representing a majority of the accredited independent
 9 nonproprietary institutions of higher education located in this state, for the benefit of the
 10 employees, including retired employees, of:

11 (1) Such institutions;

12 (2) Any affiliated or associated persons, firms, associations, trusts, or corporations that
 13 perform functions similar or related to those of one or more of such institutions or of
 14 which a majority of the membership of the governing body is composed of employees or
 15 members of the governing body of one or more of such institutions; and

16 (3) The Georgia nonprofit corporation representing a majority of the accredited
 17 independent nonproprietary institutions of higher education located in this state."

18 SECTION 2.

19 Said title is further amended by striking Chapter 51, the "Georgia Basic Health Insurance
 20 Plan," in its entirety and inserting in lieu thereof a new Chapter 51 to read as follows:

21 "CHAPTER 51

22 33-51-1.

23 (a) The Commissioner shall be authorized to allow health reimbursement arrangement
 24 only plans that encourage employer financial support of health insurance or health related
 25 expenses recognized under the rules of the federal Internal Revenue Service to be approved
 26 for sale in connection with or packaged with individual health insurance policies otherwise
 27 approved by the Commissioner.

28 (b) Health reimbursement arrangement only plans that are not sold in connection with or
 29 packaged with individual health insurance policies shall not be considered insurance under
 30 this title.

31 (c) Individual insurance policies offered or funded through health reimbursement
 32 arrangements shall not be considered employer sponsored or group coverage for purposes
 33 of this title, and nothing in this Code section shall be interpreted to require an insurer to
 34 offer an individual health insurance policy for sale in connection with or packaged with a

1 health reimbursement arrangement or to accept premiums from health reimbursement
2 arrangement plans for individual health insurance policies."

3 **SECTION 3.**

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