

The House Committee on Insurance offers the following substitute to SB 407:

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 29A of Title 33 of the Official Code of Georgia Annotated, relating to
2 individual health insurance coverage, so as to authorize insurers to offer individual accident
3 and sickness insurance policies in Georgia that have been approved for issuance in other
4 states; to provide for legislative findings; to provide for definitions; to provide for minimum
5 standards for such policies; to provide for certain notices; to authorize the Commissioner of
6 Insurance to adopt rules and regulations; to provide for related matters; to repeal conflicting
7 laws; and for other purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 **SECTION 1.**

10 Chapter 29A of Title 33 of the Official Code of Georgia Annotated, relating to individual
11 health insurance coverage, is amended by adding a new article to read as follows:

12 "ARTICLE 3

13 33-29A-30.

14 The General Assembly recognizes the high level of uninsured individuals in this state and
15 the need for individuals or other purchasers of health insurance coverage in this state to
16 have the opportunity to choose health insurance plans that are more affordable and flexible
17 than existing market policies offering accident and sickness insurance coverage. Therefore,
18 the General Assembly seeks to increase the availability of health insurance coverage by
19 allowing insurers authorized to transact insurance in other states to issue individual
20 accident and sickness policies in Georgia.

21 33-29A-31.

22 The Commissioner shall approve for sale in Georgia any individual accident and sickness
23 insurance policy that has been approved for issuance in another state where the insurer is

24 authorized to transact insurance so long as the insurer's affiliate or subsidiary is also
 25 authorized to transact insurance in this state pursuant to Chapter 3 of this title and provided
 26 that any such policy meets the requirements set forth in this article. Additionally, any
 27 insurer authorized to transact insurance in this state can offer an individual accident and
 28 sickness insurance policy with benefits equivalent to those in any policy approved for sale
 29 in Georgia under this article, provided that any such offered policy meets the requirements
 30 set forth in this article. For purposes of this article, the term 'individual accident and
 31 sickness insurance policy' means any policy insuring against loss resulting from sickness
 32 or from bodily injury or death by accident, or both, or any contract to furnish ambulance
 33 service in the future but does not include limited benefit insurance policies exempted from
 34 the definition of the term 'health benefit policy' in paragraph (1.1) of Code Section 33-1-2.

35 33-29A-32.

36 (a) Any insurer selling an insurance policy pursuant to this article, and any policy
 37 approved by this article, shall satisfy actuarial standards set forth by the National
 38 Association of Insurance Commissioners (NAIC) and any regulation promulgated by the
 39 Commissioner that is not inconsistent with such NAIC standards. Any insurer selling an
 40 insurance policy pursuant to this article, and any policy approved pursuant to this article,
 41 shall, except as otherwise provided in this article, comply with the requirements of this title
 42 and the regulations promulgated by the Commissioner.

43 (b) The Commissioner shall have the authority to determine whether any policy sold
 44 pursuant to this article satisfies the requirements set forth in this Code section in the same
 45 manner as he or she does with an individual accident and sickness insurance policy
 46 approved pursuant to another applicable chapter in this title.

47 (c) Any policy sold pursuant to this article shall comply with paragraph (3) of subsection
 48 (c) of Code Section 9-9-2 and shall not require the insured or his or her beneficiary to
 49 arbitrate disputes arising under the policy.

50 33-29A-33.

51 (a) Each written application for a policy sold pursuant to this article shall contain the
 52 following language in boldface type at the beginning of the document:

53 'The benefits of this policy may primarily be governed by the laws of a state other than
 54 Georgia; therefore, all of the laws applicable to policies filed in this state may not apply
 55 to this policy. Any purchase of individual health insurance should be considered
 56 carefully since future medical conditions may make it impossible to qualify for another
 57 individual health insurance policy.'

58 (b) Each policy sold pursuant to this article shall contain the following language in
59 boldface type at the beginning of the document:

60 'The benefits of this policy providing your coverage may be governed primarily by the
61 laws of a state other than Georgia. The benefits covered may be different from other
62 policies you can purchase. Please consult your insurance agent or insurer to determine
63 which health benefits are covered under this policy.'

64 33-29A-34.

65 (a) The Commissioner shall adopt rules and regulations necessary to implement this
66 article, which shall include, but shall not be limited to, standard forms for the disclosure
67 of benefits.

68 (b) Any dispute resolution mechanism or provision for notice and hearing in this title shall
69 apply to insurers issuing and delivering policies pursuant to this article."

70

SECTION 2.

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