

House Bill 1166

By: Representatives Atwood of the 179th, Smith of the 131st, Meadows of the 5th, Maxwell of the 17th, Williams of the 113th, and others

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 for individual health insurance coverage to children through child-only health plans;
3 to provide for legislative intent; to establish a mandatory, uniform open enrollment period;
4 to provide for definitions; to provide for guaranteed-issue coverage regardless of health
5 status; to provide for special enrollment periods for loss of coverage because of a qualifying
6 event; to provide for a list of qualifying events; to provide effective dates for coverage
7 purchased during an open enrollment period or after a qualifying event; to provide notice and
8 marketing requirements; to provide for rules and regulations; to provide for an automatic
9 repealer; to provide for related matters; to provide for an effective date; to repeal conflicting
10 laws; and for other purposes.

11 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

12 style="text-align:center">**SECTION 1.**

13 Title 33 of the Official Code of Georgia Annotated, relating to insurance, is amended by
14 adding a new chapter to read as follows:

15 style="text-align:center">"CHAPTER 29B

16 33-29B-1.

17 (a) It is the intention of this chapter to restore access to creditable health care coverage for
18 Georgia's children, and that in order to do so, it is important to bring insurance providers
19 into the market to offer individual health insurance coverage to children through child-only
20 health plans.

21 (b) For the protection of the public, particularly children and families, and for the
22 protection of insurers required by federal law to guarantee the issue of individual health
23 plans to children who are less than 19 years of age without imposing any preexisting
24 condition exclusions, it is the intent of the General Assembly to accomplish this goal by

25 establishing that as a condition of issuing health insurance coverage in the individual
 26 market until January 1, 2014, carriers offer child-only policies during open enrollment
 27 periods specified by this chapter.

28 33-29B-2.

29 (a) As used in this chapter, the term:

30 (1) 'Child-only plan' means individual health insurance coverage for a qualified
 31 individual who is less than 19 years of age. Such term shall not include dependent health
 32 insurance for a qualified individual under another person's health insurance.

33 (2) 'Health insurance' has the same meaning as accident and sickness policy as defined
 34 in Code Section 33-29-1. Such term shall not include:

35 (A) Any policy of workers' compensation insurance or any policy of workers'
 36 insurance or any policy of liability insurance with or without supplementary expense
 37 coverage on the policy;

38 (B) Any policy or contract of reinsurance;

39 (C) Any policy, the renewal of which is subject to continuation of employment with
 40 a specified employer, any blanket or group policy of insurance, or any policy issued
 41 pursuant to the exercise of conversion privileges provided for in group insurance
 42 policies;

43 (D) Life insurance, endowment or annuity contracts, or contracts supplemental thereto
 44 which contain only such provisions relating to accident and sickness insurance which
 45 provide additional benefits in case of death or dismemberment or loss of sight by
 46 accident, or which operate to safeguard such contracts against lapse or give a special
 47 surrender value or special benefit or an annuity in the event that the insured or annuitant
 48 becomes totally and permanently disabled as defined by the contract or supplemental
 49 contract;

50 (E) Companies, organizations, or associations provided for in Chapters 18 and 19 of
 51 this title; or

52 (F) Any policy of accident, sickness, or hospitalization insurance issued prior to
 53 January 1, 1961; long-term care, disability income, short-term, accident, dental-only,
 54 vision-only, fixed indemnity, limited-benefit, or credit insurance; coverage issued as
 55 a supplement to liability insurance; insurance arising out of workers' compensation or
 56 similar law; automobile medical payment insurance; or insurance under which benefits
 57 are payable with or without regard to fault and that is statutorily required to be
 58 contained in any liability insurance policy or equivalent self-insurance.

59 (3) 'Insurer' means an insurance company, insurance service, or insurance organization
 60 licensed to engage in the business of insurance in Georgia and which is subject to this
 61 title. Such term shall not include a group health plan.

62 (4) 'Qualified individual' means a resident of this state who is less than 19 years of age.
 63 Such term shall not include a person who is not a United States citizen or who is present
 64 in the United States illegally.

65 (5) 'Qualifying event' means the loss of employer sponsored health insurance or the
 66 involuntary loss of other existing health insurance for any reason other than fraud,
 67 misrepresentation, or failure to pay a premium if the applicant is a qualified individual
 68 when the qualifying event occurs.

69 33-29B-3.

70 (a) All insurers that deliver or issue for delivery individual health insurance in this state
 71 shall be subject to the provisions of this chapter. As a condition of issuing coverage in the
 72 individual health market, a carrier shall have an approved child-only policy available to be
 73 issued pursuant to Code Section 33-29A-3 and this chapter.

74 (b) Insurers shall offer guaranteed-issue coverage to primary subscribers under the age of
 75 19 years during open enrollment periods. There shall be two annual open enrollment
 76 periods during which insurers shall accept applications for child-only coverage. The first
 77 open enrollment period for child-only applicants shall commence on July 1, 2012, and end
 78 on July 31, 2012. Insurers shall provide for subsequent open enrollment periods for
 79 child-only applicants during the entire months of January, 2013, and July, 2013.

80 (c) During the open enrollment period set forth in subsection (b) of this Code section and
 81 within 30 days of a qualifying event, an insurer shall accept and grant an application to
 82 insure a qualified individual for a child-only plan on a guaranteed-issue basis without any
 83 limitations or exclusions of policy benefits based upon the applicant's health status pursuant
 84 to federal law.

85 (d) Insurers shall not offer child-only policies outside of the open enrollment periods set
 86 forth in subsection (b) of this Code section, except insurers shall permit a child under the
 87 age of 19 years to apply and enroll for coverage during a special enrollment period under
 88 the terms of the health benefit plan if the child has experienced a qualifying event.

89 (e) A special enrollment period shall last 30 days from the date the insurer receives notice
 90 of loss of coverage if:

91 (1) Such notice is provided to the insurer no later than the sixtieth day after the loss of
 92 coverage;

93 (2) The loss of other coverage results from:

94 (A) Birth;

95 (B) Adoption;

96 (C) Marriage;

97 (D) Dissolution of marriage;

98 (E) Loss of employer sponsored insurance;

99 (F) Loss of eligibility under Code Section 49-4-1 or 49-5-273;

100 (G) Entry of a valid court or administrative order mandating the child be covered; or

101 (H) Involuntary loss of other existing coverage for any reason other than fraud,
102 misrepresentation, or failure to pay premium; or

103 (3) The person under 19 years of age is not eligible for group coverage.

104 (f) Coverage under individual policies applied for during the open enrollment period set
105 forth in subsection (b) of this Code section shall become effective within 30 days following
106 the end of such period. Coverage under individual policies applied for during a special
107 enrollment period shall become effective within 30 days following the end of the special
108 enrollment period.

109 (g) Nothing in this Code section shall prohibit an insurer from setting a premium rate for
110 individuals based upon medical underwriting so long as such rate is in compliance with the
111 applicable product's rate filing on record with the department.

112 33-29B-4.

113 In the event that an individual under the age of 19 years is a dependent on a policy with a
114 primary subscriber who is over the age of 19 years and such primary subscriber drops the
115 policy, all dependents shall lose coverage as a result of the termination of coverage of the
116 primary subscriber. Such individuals under the age of 19 years may reenroll with the
117 insurer during the next open enrollment period set forth in subsection (b) of this Code
118 section or, in the case of a qualifying event, during a special enrollment period.

119 33-29B-5.

120 An insurance carrier may deny coverage to an applicant for enrollment in a child-only plan
121 if other creditable coverage is available. For purposes of this Code section, the term
122 'creditable coverage' shall not include eligibility for a high-risk pool insurance plan, but
123 shall include current enrollment in a high-risk pool insurance plan.

124 33-29B-6.

125 (a) Insurers currently covering subscribers or dependents under the age of 19 years on
126 individual policies shall continue to renew such policies in accordance with Code
127 Section 33-29-21.

128 (b) Notice of the open enrollment opportunity, open enrollment dates for new applicants,
129 the opportunity to enroll due to a qualifying event, and instructions on how to enroll a child
130 in a child-only policy shall be displayed continuously and prominently on the insurance
131 carrier's website throughout the year. Each carrier shall also provide a link to public
132 programs administered by the Department of Community Health.

133 33-29B-7.

134 Each carrier that participates in the individual market in Georgia shall submit to the
135 Commissioner the following information at the time the carrier submits the information
136 required in Code Section 33-3-21:

137 (1) The number of applicants for a child-only plan;

138 (2) The number of individuals enrolled in a child-only plan; and

139 (3) The number of applicants denied enrollment in a child-only plan and the reasons for
140 the denials.

141 33-29B-8.

142 (a) The Commissioner shall adopt rules to implement and administer this chapter.

143 (b) This chapter and the rules adopted by the Commissioner to administer this chapter shall
144 stand repealed on January 1, 2014."

145 **SECTION 2.**

146 This Act shall become effective on July 1, 2012.

147 **SECTION 3.**

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