

The House Committee on Insurance offers the following substitute to SB 1:

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 1 of Chapter 24 of Title 33 of the Official Code of Georgia Annotated,
2 relating to general insurance provisions, so as to provide for the compensation of health
3 insurance agents in certain situations; to provide for definitions; to provide for exceptions;
4 to provide for applicability; to provide a short title; to provide for related matters; to repeal
5 conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 This Act shall be known and may be cited as the "Protection and Guarantee of Service for
9 Health Insurance Consumers Act."

10 **SECTION 2.**

11 Article 1 of Chapter 24 of Title 33 of the Official Code of Georgia Annotated, relating to
12 general insurance provisions, is amended by adding a new Code section to read as follows:

13 "33-24-59.20.

14 (a) As used in this Code section, the term:

15 (1) 'Agent' shall have the same meaning as in Code Section 33-23-1.

16 (2) 'Carrier' means any entity licensed to provide health insurance in this state and which
17 is subject to state insurance regulation.

18 (3) 'Health benefit plan' shall have the same meaning as in Code Section 33-30A-1.

19 (4) 'Premium' means the consideration paid in exchange for coverage under a health
20 benefit plan.

21 (b) Any carrier that issues a health benefit plan in this state through an agent shall
22 compensate such agent a minimum of 5 percent of the premium collected on a group health
23 benefit plan and a minimum of 4 percent of the premium collected on an individual health
24 benefit plan for the first term and for each renewal term thereafter, so long as such agent

25 reviews coverage and provides ongoing customer service for such plan; provided, however,
26 that no such compensation shall be required for:

27 (1) Any individual health benefit plan sold during a special enrollment period; provided,
28 however, that this paragraph shall not apply to renewals of any individual health benefit
29 plan sold during a special enrollment period that renews during the open enrollment
30 period; or

31 (2) The initial term or any renewal term of any health benefit plan sold to any employer,
32 whether or not self-employed, if at the time of such initial term or renewal term such
33 employer employs more than 50 bona fide employees on at least half of its working days.

34 For purposes of this paragraph, affiliated companies or companies that are eligible to file
35 a combined tax return for purposes of state taxation shall be considered single employers.

36 Nothing in this Code section is intended or shall be construed to require a carrier to pay a
37 commission to an agent who is employed by such carrier."

38

SECTION 3.

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