

The Senate Committee on Insurance and Labor offered the following substitute to HB 1274:

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 improve insurance policyholder protections by strengthening the regulation of excess profit  
3 in private passenger automobile insurance policies, healthcare plan coverage of ground  
4 ambulance transportation services, and obligations under life insurance policies; to provide  
5 for the collection of certain data annually from insurers writing private passenger automobile  
6 insurance policies; to provide for the Commissioner of Insurance to order the refund of any  
7 excess profit made by such insurers; to provide for calculations; to provide for notice and  
8 opportunity for hearing; to provide for cash refunds or credit refunds; to provide for  
9 certification; to prohibit adjustments to commission, premium tax, or other tax payments; to  
10 provide for insurance coverage for certain out-of-network ambulance transportation service;  
11 to provide for the minimum allowable reimbursement rate for such service; to provide for  
12 maximum amounts on copayments, coinsurance, or deductibles for such service; to provide  
13 for insurers to conduct policy locator searches on a quarterly basis; to provide for updated  
14 records; to provide for disclosure of certain information; to provide for the right to original  
15 agents of record; to provide for the right to access policy information; to provide for an  
16 authorized recipient; to provide for a standardized form authorizing access to certain  
17 information; to provide for the right to an annual policy status report; to provide for the right  
18 to beneficiary protection; to provide for annual reporting; to provide for the Department of

19 Insurance to publish on its website a statement on the rights of policyholders and a  
20 standardized form for authorizing a recipient to have access to certain policy information;  
21 to provide for such statement and form to be sent to certain insurers; to provide for  
22 definitions; to provide for rules and regulations; to provide for a short title; to provide for  
23 related matters; to provide for effective dates and applicability; to repeal conflicting laws;  
24 and for other purposes.

25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

26 SECTION 1.

27 Title 33 of the Official Code of Georgia Annotated, relating to insurance, is amended in  
28 Chapter 9, relating to regulation of rates, underwriting rules, and related organizations, by  
29 revising Code Section 33-9-41, which is reserved, as follows:

30 "33-9-41.

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

32 (1) 'Anticipated underwriting profit' means the expected, projected, or modeled net profit  
33 that an insurer anticipates making from providing insurance coverage, exclusive of  
34 income from investments. Such term shall be calculated as the sum of the dollar amounts  
35 obtained by multiplying, for each rate filing of the insurer group in effect during a  
36 five-year period, the earned premiums applicable to such rate filings by the percentage  
37 factor included in such rate filing for profit and contingencies, such percentage factor  
38 having been determined with due recognition to investment income from funds generated  
39 by business in this state; provided, however, that separate calculations shall not be  
40 necessary for consecutive filings containing the same percentage factor for profits and  
41 contingencies.

42 (2) 'Cash refund' means a refund issued to a policyholder or former policyholder by an  
43 insurer in a single payment of coins, currency, checks, drafts, or money orders.

44 (3) 'Credit refund' means a refund issued to a policyholder by an insurer through  
45 application to a policy renewal premium for such policyholder.

46 (4) 'Excess profit' means an underwriting gain for the five most recent calendar accident  
47 years combined which is greater than the anticipated underwriting profit plus 6 percent  
48 of earned premiums for such calendar accident years.

49 (5) 'Final compilation year' means the final year in which data is reported in a five-year  
50 reporting period.

51 (6) 'Private passenger automobile insurance' means insurance that covers the personal  
52 use of a private passenger automobile and its operating equipment; covers liability,  
53 collision, comprehensive, personal injury protection or medical payments, or uninsured  
54 or underinsured motorist protection; or provides the mandatory minimum limits required  
55 under Chapter 34 of this title for the personal use of a private passenger automobile.  
56 Such insurance may be written on a family automobile policy, standard automobile  
57 policy, personal automobile policy, or similar private passenger automobile policy. Such  
58 term shall not include commercial automobile insurance or similar policies for  
59 commercial automobiles or commercial motor vehicles.

60 (b) No later than January 1, 2028, and annually thereafter, any domestic, foreign, or alien  
61 insurer that is authorized to write private passenger automobile insurance policies in this  
62 state shall file with the department on forms prescribed by the Commissioner data for  
63 private passenger automobile insurance in this state. Such data shall include both voluntary  
64 and joint underwriting association business and shall include the following:

65 (1) Calendar year total limits earned premium;

66 (2) Accident year incurred losses and loss adjustment expenses;

67 (3) Administrative and selling expenses incurred in this state or allocated to this state for  
68 the calendar year;

69 (4) Policyholder dividends incurred during the applicable calendar year;

70 (5) A schedule of private passenger automobile loss and loss adjustment experience for  
71 each of the five most recent accident years. The incurred losses and loss adjustment  
72 expenses shall be valued as of March 31 of the year following the close of the accident  
73 year, developed to an ultimate basis, and at four 12 month intervals thereafter, each  
74 developed to an ultimate basis, so that a total of five evaluations will be provided for each  
75 accident year; and

76 (6) Any supplemental data the department needs for the determination of compliance  
77 with the provisions of this Code section.

78 (c) The department shall review the data collected pursuant to subsection (b) of this Code  
79 section to determine if excess profit has been realized based on a comparison of the  
80 insurer's underwriting gain and anticipated underwriting profit. Each insurer's underwriting  
81 gain or loss for each calendar accident year shall be calculated as the sum of the accident  
82 year incurred losses and loss adjustment expenses as of March 31 of the following year,  
83 developed to an ultimate basis, plus the administrative and selling expenses incurred in the  
84 calendar year, plus policyholder dividends applicable to the calendar year, subtracted from  
85 the calendar year earned premium. Such underwriting gain or loss shall be compared to  
86 the anticipated underwriting profit for the five most recent calendar accident years to  
87 determine if excess profit has been realized.

88 (d) Whenever the Commissioner has determined that an excess profit has been realized,  
89 the Commissioner shall issue an order for the insurer to return excess profit and otherwise  
90 comply with the provisions of this Code section. The order shall contain or shall be  
91 accompanied by a notice of opportunity for hearing which clearly explains that the  
92 opportunity must be requested within ten days of receipt of the order and notice. The order  
93 and notice shall be served in person by the Commissioner or his or her agent or by  
94 registered or certified mail or statutory overnight delivery, return receipt requested. The  
95 hearing shall be conducted in accordance with the provisions of Chapter 2 of this title.

96 (e)(1) Excess profit shall be refunded unless an insurer demonstrates to the department  
97 that the refund of excess profit will render the insurer financially impaired or insolvent.

98 (2) The insurer shall submit to the Commissioner a fair, practicable, and  
99 nondiscriminatory plan to refund or credit to policyholders the realized excess profit as  
100 determined by the Commissioner within 30 days after receipt of the written notice  
101 provided for in subsection (d) of this Code section, or, if an insurer requests a hearing,  
102 within 30 days after the conclusion of such hearing. If the refund or credit plan is not  
103 approved, the Commissioner shall issue a written notice to the insurer containing the  
104 reasons why it was not approved and specifications for corrections to the plan. Upon  
105 approval of the insurer's refund or credit plan, the Commissioner shall issue an order  
106 requiring the insurer to distribute the excess profit according to the approved plan in the  
107 form of:

108 (A) A cash refund within 60 days of a final order on the refund of excess profit; or

109 (B) A credit refund, which shall be applied to policy renewal premium notices that are  
110 forwarded to policyholders no more than 60 days after a final order on the refund of  
111 excess profit; provided, however, that, if a policyholder cancels the policy or allows the  
112 policy to terminate, the insurer shall make a cash refund no more than 60 days after  
113 termination of coverage.

114 (f) An insurer shall immediately certify to the department when all cash refunds or credit  
115 refunds have been made. Any cash refund or credit refund made pursuant to this Code  
116 section shall be treated as a policyholder dividend applicable to the year in which it is  
117 incurred for purposes of reporting under this Code section for subsequent years.

118 (g) The data in the required reports to the department obtained pursuant to this Code  
119 section and cash refunds or credit refunds to policyholders issued pursuant to this Code  
120 section may be rounded to the nearest dollar, provided that such rounding shall be applied  
121 consistently.

- 122 (h) No insurer that makes any refund pursuant to this Code section shall be allowed to  
123 adjust any payments of commissions, premium tax, or other tax due to such refund.  
124 (i) The Commissioner shall be authorized to promulgate rules and regulations necessary  
125 for the implementation and enforcement of this Code section. Reserved."

126 **SECTION 2.**

127 Said title is further amended in Chapter 20E, the "Surprise Billing Consumer Protection Act,"  
128 by revising Code Section 33-20E-23, relating to financial responsibilities for ground  
129 ambulance transportation, as follows:

130 "33-20E-23.

131 ~~Nothing in this chapter shall reduce a covered person's financial responsibilities with regard~~  
132 ~~to ground ambulance transportation.~~

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

134 (1) 'Ambulance provider' means an agency, including an agency of any political  
135 subdivision of this state, or a company which is operating under a valid license from the  
136 Emergency Health Section of the Department of Public Health and which provides  
137 emergency transport service; provided, however, that such term shall not include an air  
138 ambulance service as such term is defined in Code Section 31-11-2.

139 (2) 'Clean claim' means a claim for reimbursement of service rendered by an ambulance  
140 provider that has no defect or impropriety, including any lack of required substantiating  
141 documentation, which would reasonably prevent timely payment for a claim.

142 (3) 'Covered service' means emergency transport service which a covered person is  
143 entitled to receive under the terms of a healthcare plan.

144 (4) 'Emergency transport service' means the provision of emergency transportation on  
145 the public streets and highways of this state by an ambulance provider for a wounded,  
146 injured, sick, invalid, or incapacitated human being to or from a place where medical or  
147 hospital care is furnished.

148 (5) 'First responder' means any firefighter of a municipal, county, or volunteer fire  
149 department; paramedic as defined in Code Section 31-11-2; emergency medical  
150 technician as defined in Code Section 31-11-2; peace officer as defined in Code Section  
151 35-8-2; or communications officer as defined in Code Section 37-12-1.

152 (b) A healthcare plan shall consider emergency transport service as a covered service when  
153 such emergency transport service is requested by a first responder.

154 (c)(1) The minimum allowable reimbursement rate under any healthcare plan other than  
155 a state healthcare plan for covered service to an out-of-network ambulance provider shall  
156 be the rate agreed to by contract with or through passage of an ordinance, resolution, rule,  
157 or regulation by a county, municipality, special district, or authority for such service  
158 within the respective jurisdiction.

159 (2) When no agreement on a minimum reimbursement rate exists as set forth in  
160 paragraph (1) of this subsection, the minimum allowable reimbursement amount shall be  
161 the lesser of:

162 (A) Three hundred and twenty-five percent of the reimbursement rate under the  
163 Medicare program, Part A or B of Title XVIII of the federal Social Security Act, 42  
164 U.S.C. Section 1395, et seq., as amended, for ambulance services; or

165 (B) The charges billed by the ambulance provider.

166 (d) Any payment made to an ambulance provider pursuant to this Code section shall  
167 release a covered person from any further payment responsibility other than any  
168 copayment, coinsurance, or deductible owed by the covered person.

169 (e) Any copayment, coinsurance, or deductible paid for covered service provided by an  
170 out-of-network ambulance provider shall not exceed the amount of a copayment,  
171 coinsurance, or deductible amount owed for similar service provided by an ambulance  
172 provider that belongs to the provider network in a healthcare plan.

173 (f) No later than 30 days after the receipt of a clean claim for covered service, an insurer  
174 shall remit payment for such service directly to the ambulance provider and shall not remit

175 any payment to a covered person. When an insurer receives a claim that is not a clean  
176 claim, such insurer shall, within 30 days after receipt of such claim, send written notice to  
177 the ambulance provider making such claim that acknowledges the receipt of such claim and  
178 informs the ambulance provider that:

179 (1) The insurer has declined to pay all or part of the claim, including the reasons for such  
180 denial; or

181 (2) Additional information is necessary to make a determination regarding payment of  
182 all or part of the claim submitted, including the specific information required."

183 **SECTION 3.**

184 Said title is further amended in Chapter 25, relating to life insurance, by adding a new  
185 subsection to Code Section 33-25-14, relating to unclaimed life insurance benefits, purpose,  
186 definitions, and insurer conduct, to read as follows:

187 "(d.1) An insurer shall conduct a search of the National Association of Insurance  
188 Commissioners' policy locator system on at least a quarterly basis to identify potential  
189 matches to policies, persons, and designated beneficiaries. If an insurer finds a match, then  
190 the insurer shall within 30 days confirm the accuracy of the match, contact the person, the  
191 designated beneficiary, or an authorized representative, and update the insurer's records.  
192 To the extent permitted by law, an insurer may disclose minimum necessary personal  
193 information about a person or a designated beneficiary to a person who the insurer  
194 reasonably believes may be able to assist the insurer in locating the designated beneficiary  
195 or a person otherwise entitled to payment of the claims proceeds."

196 **SECTION 4.**

197 Said title is further amended in said chapter by adding a new Code section to read as follows:

198 "33-25-16.

199 (a) This Code section shall be known and may be cited as the 'Georgia Policyholder Bill  
200 of Rights.'

201 (b) As used in this Code section, the term:

202 (1) 'Insurer' means an insurance company that issued or currently insures a policy.

203 (2) 'Policy' means a life insurance policy owned by an individual who is a resident of this  
204 state regardless of whether the policy was issued, delivered, or renewed in this state.

205 Such term includes a contract of life insurance, a life benefit certificate issued by a  
206 fraternal benefit society, a life annuity, or an annuity contract.

207 (3) 'Policyholder' means the owner of a policy.

208 (c) A policyholder has the right to retain his or her original agent of record for a policy.  
209 If an insurer sells or transfers the policy to another insurer, such insurer shall continue to  
210 provide annual reports to the original agent of record.

211 (d) A policyholder has the right to receive important insurance policy documents. Such  
212 documents include, but are not limited to, company illustrations outlining projected values;  
213 status reports detailing payments, benefits, and conditions; and reprojections providing  
214 updated future value estimates. A policyholder may authorize a recipient to have access  
215 to such documents by submitting a standardized form developed by the department. Such  
216 form shall include the following:

217 (1) The policyholder's full legal name, date of birth, and the last four digits of the  
218 policyholder's social security number;

219 (2) The authorized recipient's name and contact information;

220 (3) The information authorized to be shared;

221 (4) The express limitation that the authorization does not grant the authorized recipient  
222 the authority to make policy changes, change beneficiaries, or assign, surrender, borrow,  
223 or transfer any policy;

224 (5) The effective date and the duration of effectiveness, not to exceed 12 months; and

- 225 (6) The notarized signature of the policyholder.
- 226 (e) A policyholder has the right to receive an annual report detailing the status of his or her  
227 policy. An insurer shall provide such annual report, even if the policy is fully paid.
- 228 (f) A policyholder has the right to beneficiary protection. No later than January 1, 2027,  
229 and annually thereafter, every insurer shall report to the Commissioner the results of  
230 searches conducted under Code Section 33-25-14.
- 231 (g) The Commissioner shall, as soon as practicable, but no later than January 1, 2027,  
232 prepare a statement that sets forth in simple and nontechnical terms the rights of  
233 policyholders as set forth in this Code section and the authorization form provided for in  
234 subsection (d) of this Code section. Such statement and form shall be published on the  
235 department website and shall be sent to all insurers authorized to transact life insurance in  
236 this state.
- 237 (h) The Commissioner shall promulgate rules and regulations necessary to implement the  
238 provisions of this Code section."

239

**SECTION 5.**

- 240 (a) Except as provided in subsection (b) of this section, this Act shall become effective on  
241 July 1, 2026, and shall apply to all policies issued, delivered, issued for delivery, or renewed  
242 in this state on or after such date.
- 243 (b) Section 2 of this Act shall become effective on January 1, 2027, and shall apply to all  
244 contracts entered into or renewed and all policies issued, delivered, issued for delivery, or  
245 renewed in this state on or after such date.

246

**SECTION 6.**

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