

## State Corporation Commission 2004 Fiscal Impact Statement

**1. Bill Number** HB1408

<b>House of Origin</b>	<input type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
<b>Second House</b>	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input checked="" type="checkbox"/> Enrolled

**2. Patron** Carrico

**3. Committee** Passed Both Houses

**4. Title** Accident and sickness insurance; claims experience.

**5. Summary/Purpose:** Requires group accident and sickness policies and health care plans that cover policyholders with an average of at least 100 individuals on business days in the preceding 12-month period to provide, after a request, a complete record of the policyholder's medical claim experience or medical costs under the policy contract or plan. The record must cover all claims from the lesser of (i) the time when the policy, contract, or plan was issued or issued for delivery; or (ii) the time when the policy, contract, or plan was last renewed, reissued or extended. The bill requires that, along with the record of medical claims experience or medical costs, the policyholder must receive a summary of medical claims or medical costs in the most recent 24-month period; a listing of the number of insureds, subscribers or enrollees for whom combined medical claims or medical costs exceed \$100,000 for the most recently available 12-month period and the preceding 12 months if not all ready provided; and information as to whether the enrollees are still enrolled. The policyholder and insurer can agree by contract to include amounts less than \$100,000. The bill also increases the number of days the record must be made available after request to 20 days, and requires the policyholder to request the record at least 45 days prior to renewal. The bill applies to health care plans, contracts delivered or issued for delivery, reissued or extended on or after January 1, 2005, or anytime when any term of the contract is changed or any premium adjustment is made. A second enactment clause makes the bill effective on January 1, 2005.

**6. No Fiscal Impact on the State Corporation Commission**

**7. Budget amendment necessary:** No

**8. Fiscal implications:** None

**9. Specific agency or political subdivisions affected:** State Corporation Commission Bureau of Insurance

**10. Technical amendment necessary:** No

**11. Other comments:** No.

**Date:** 03/25/04 / V. Tompkins

cc: Secretary of Commerce and Trade