

# State Corporation Commission

## 2023 Fiscal Impact Statement

**1. Bill Number:** SB1171

**House of Origin**    ☐ Introduced    ☐ Substitute    ☒ Engrossed  
**Second House**    ☐ In Committee    ☐ Substitute    ☐ Enrolled

**2. Patron:**    Dunnavant

**3. Committee:** Commerce and Labor

**4. Title:**    Association health plans; premium rates based on employer member's risk profile.

**5. Summary:** Provides that for association health plans, an insurer may (i) establish base rates formed on an actuarially sound, modified community rating methodology that considers the pooling of all participant claims and (ii) utilize each employer member's specific risk profile to determine premium rates for each employer member by actuarially adjusting above or below established base rates.

**6. Budget amendment necessary:** No

**7. Fiscal Impact Estimates:** No Fiscal Impact on the State Corporation Commission

**8. Fiscal Implications:** None on the State Corporation Commission

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

**10. Technical amendment necessary:** No

**11. Other comments:** The engrossed version of Senate Bill 1171 contains a technical amendment requested by the State Corporation Commission Bureau of Insurance. Senate Bill 1171 is identical to House Bill 2201.

**Date:** 01/27/23/V. Tompkins