

By Senator Sachs

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1 A bill to be entitled
2 An act relating to health insurance; amending ss.
3 627.410, 627.411, and 641.31, F.S.; deleting
4 provisions that exempt certain nongrandfathered health
5 plans from rate review or approval by the Office of
6 Insurance Regulation for a specified period; providing
7 an effective date.

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9 Be It Enacted by the Legislature of the State of Florida:

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11 Section 1. Subsection (9) of section 627.410, Florida
12 Statutes, is amended to read:

13 627.410 Filing, approval of forms.—

14 ~~(9) For plan years 2014 and 2015, nongrandfathered health~~
15 ~~plans for the individual or small group market are not subject~~
16 ~~to rate review or approval by the office. An insurer or health~~
17 ~~maintenance organization issuing or renewing such health plans~~
18 ~~shall file rates and any change in rates with the office as~~
19 ~~required by paragraph (6) (a), but the filing and rates are not~~
20 ~~subject to subsection (2); paragraph (6) (b), paragraph (6) (c),~~
21 ~~or paragraph (6) (d); or subsection (7).~~

22 ~~(a) For each individual and small group nongrandfathered~~
23 ~~health plan, an insurer or health maintenance organization shall~~
24 ~~include a notice describing or illustrating the estimated impact~~
25 ~~of PPACA on monthly premiums with the delivery of the policy or~~
26 ~~contract or, upon renewal, the premium renewal notice. The~~
27 ~~notice must be in a format established by rule of the~~
28 ~~commission. The format must specify how the information required~~
29 ~~under paragraph (b) is to be described or illustrated, and may~~

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30 ~~allow for specified variations from such requirements in order~~
31 ~~to provide a more accurate and meaningful disclosure of the~~
32 ~~estimated impact of PPACA on monthly premiums, as determined by~~
33 ~~the commission. All notices shall be submitted to the office for~~
34 ~~informational purposes by September 1, 2013. The notice is~~
35 ~~required only for the first issuance or renewal of the policy or~~
36 ~~contract on or after January 1, 2014.~~

37 ~~(b) The information provided in the notice shall be based~~
38 ~~on the statewide average premium for the policy or contract for~~
39 ~~the bronze, silver, gold, or platinum level plan, whichever is~~
40 ~~applicable to the policy or contract, and provide an estimate of~~
41 ~~the following effects of PPACA requirements:~~

42 ~~1. The dollar amount of the premium which is attributable~~
43 ~~to the impact of guaranteed issuance of coverage. This estimate~~
44 ~~must include, but is not required to itemize, the impact of the~~
45 ~~requirement that rates be based on factors unrelated to health~~
46 ~~status, how the individual coverage mandate and subsidies~~
47 ~~provided in the health insurance exchange established in this~~
48 ~~state pursuant to PPACA affect the impact of guaranteed issuance~~
49 ~~of coverage, and estimated reinsurance credits.~~

50 ~~2. The dollar amount of the premium which is attributable~~
51 ~~to fees, taxes, and assessments.~~

52 ~~3. For individual policies or contracts, the dollar amount~~
53 ~~of the premium increase or decrease from the premium that would~~
54 ~~have otherwise been due which is attributable to the combined~~
55 ~~impact of the requirement that rates for age be limited to a 3-~~
56 ~~to-1 ratio and the prohibition against using gender as a rating~~
57 ~~factor. This estimate must be displayed for the average rates~~
58 ~~for male and female insureds, respectively, for the following~~

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59 ~~three age categories: age 21 years to 29 years, age 30 years to~~
60 ~~54 years, and age 55 years to 64 years.~~

61 ~~4. The dollar amount which is attributable to the~~
62 ~~requirement that essential health benefits be provided and to~~
63 ~~meet the required actuarial value for the product, as compared~~
64 ~~to the statewide average premium for the policy or contract for~~
65 ~~the plan issued by that insurer or organization that has the~~
66 ~~highest enrollment in the individual or small group market on~~
67 ~~July 1, 2013, whichever is applicable. The statewide average~~
68 ~~premiums for the plan that has the highest enrollment must~~
69 ~~include all policyholders, including those that have health~~
70 ~~conditions that increase the standard premium.~~

71 ~~(c) The office, in consultation with the department, shall~~
72 ~~develop a summary of the estimated impact of PPACA on monthly~~
73 ~~premiums as contained in the notices submitted by insurers and~~
74 ~~health maintenance organizations, which must be available on the~~
75 ~~respective websites of the office and department by October 1,~~
76 ~~2013.~~

77 ~~(d) This subsection is repealed on March 1, 2015.~~

78 Section 2. Subsection (4) of section 627.411, Florida
79 Statutes, is amended to read:

80 627.411 Grounds for disapproval.—

81 ~~(4) The provisions of this section which apply to rates,~~
82 ~~rating practices, or the relationship of benefits to the premium~~
83 ~~charged do not apply to nongrandfathered health plans described~~
84 ~~in s. 627.410(9). This subsection is repealed on March 1, 2015.~~

85 Section 3. Paragraph (f) of subsection (3) of section
86 641.31, Florida Statutes, is amended to read:

87 641.31 Health maintenance contracts.—

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(3)

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~~(f)1. For plan years 2014 and 2015, nongrandfathered health plans for the individual or small group market are not subject to rate review or approval by the office. A health maintenance organization that issues or renews a nongrandfathered health plan is subject to s. 627.410(9). As used in this paragraph, the terms "PPACA" and "nongrandfathered health plan" have the same meanings as those terms are defined in s. 627.402.~~

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~~2. This paragraph is repealed effective March 1, 2015.~~

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Section 4. This act shall take effect upon becoming a law.