

FIRST REGULAR SESSION

[PERFECTED]

# HOUSE BILL NO. 218

95TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE ERVIN.

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D. ADAM CRUMBLISS, Chief Clerk

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## AN ACT

To repeal section 376.966, RSMo, and to enact in lieu thereof one new section relating to Missouri high risk insurance pool.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Section 376.966, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 376.966, to read as follows:

376.966. 1. No employee shall involuntarily lose his or her group coverage by decision of his or her employer on the grounds that such employee may subsequently enroll in the pool. The department shall have authority to promulgate rules and regulations to enforce this subsection.

2. The following individual persons shall be eligible for coverage under the pool if they are and continue to be residents of this state:

(1) An individual person who provides evidence of the following:

(a) A notice of rejection or refusal to issue substantially similar health insurance for health reasons by at least two insurers; or

(b) A refusal by an insurer to issue health insurance except at a rate exceeding the plan rate for substantially similar health insurance;

(2) A federally defined eligible individual who has not experienced a significant break in coverage;

(3) A trade act eligible individual;

(4) Each resident dependent of a person who is eligible for plan coverage;

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

16 (5) Any person, regardless of age, that can be claimed as a dependent of a trade act  
17 eligible individual on such trade act eligible individual's tax filing;

18 (6) Any person whose health insurance coverage is involuntarily terminated for any  
19 reason other than nonpayment of premium or fraud, and who is not otherwise ineligible under  
20 subdivision (4) of subsection 3 of this section. If application for pool coverage is made not later  
21 than sixty-three days after the involuntary termination, the effective date of the coverage shall  
22 be the date of termination of the previous coverage;

23 (7) Any person whose premiums for health insurance coverage have increased above the  
24 rate established by the board under paragraph (a) of subdivision (1) of subsection 3 of this  
25 section;

26 (8) Any person currently insured who would have qualified as a federally defined eligible  
27 individual or a trade act eligible individual between the effective date of the federal Health  
28 Insurance Portability and Accountability Act of 1996, Public Law 104-191 and the effective date  
29 of this act.

30 3. The following individual persons shall not be eligible for coverage under the pool:

31 (1) Persons who have, on the date of issue of coverage by the pool, or obtain coverage  
32 under health insurance or an insurance arrangement substantially similar to or more  
33 comprehensive than a plan policy, or would be eligible to have coverage if the person elected to  
34 obtain it, except that:

35 (a) This exclusion shall not apply to a person who has such coverage but whose  
36 premiums have increased to one hundred fifty percent to two hundred percent of rates established  
37 by the board as applicable for individual standard risks[. After December 31, 2009, this  
38 exclusion shall not apply to a person who has such coverage but whose premiums have increased  
39 to three hundred percent or more of rates established by the board as applicable for individual  
40 standard risks];

41 (b) A person may maintain other coverage for the period of time the person is satisfying  
42 any preexisting condition waiting period under a pool policy; and

43 (c) A person may maintain plan coverage for the period of time the person is satisfying  
44 a preexisting condition waiting period under another health insurance policy intended to replace  
45 the pool policy;

46 (2) Any person who is at the time of pool application receiving health care benefits under  
47 section 208.151, RSMo;

48 (3) Any person having terminated coverage in the pool unless twelve months have  
49 elapsed since such termination, unless such person is a federally defined eligible individual;

50 (4) Any person on whose behalf the pool has paid out one million dollars in benefits;

51 (5) Inmates or residents of public institutions, unless such person is a federally defined  
52 eligible individual, and persons eligible for public programs;

53 (6) Any person whose medical condition which precludes other insurance coverage is  
54 directly due to alcohol or drug abuse or self-inflicted injury, unless such person is a federally  
55 defined eligible individual or a trade act eligible individual;

56 (7) Any person who is eligible for Medicare coverage.

57 4. Any person who ceases to meet the eligibility requirements of this section may be  
58 terminated at the end of such person's policy period.

59 5. If an insurer issues one or more of the following or takes any other action based  
60 wholly or partially on medical underwriting considerations which is likely to render any person  
61 eligible for pool coverage, the insurer shall notify all persons affected of the existence of the  
62 pool, as well as the eligibility requirements and methods of applying for pool coverage:

63 (1) A notice of rejection or cancellation of coverage;

64 (2) A notice of reduction or limitation of coverage, including restrictive riders, if the  
65 effect of the reduction or limitation is to substantially reduce coverage compared to the coverage  
66 available to a person considered a standard risk for the type of coverage provided by the plan

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