

HB 2211 with HCA 1 -- HEALTH INSURANCE PREMIUM RATES

SPONSOR: McNeil

COMMITTEE ACTION: Voted "Do Pass with Amendments" by the Standing Committee on Health Insurance by a vote of 10 to 0.

Beginning January 1, 2017, this bill requires health carriers to submit premium rate changes and supporting actuarial information to justify the premium rate increase to the Department of Insurance for approval prior to issuing or renewing plans with the premium rate changes. Information contained in this filing shall be posted on the department's website within 10 days of being submitted and be made available to the public. The filing must contain a certification that the premium rates are not excessive, inadequate, or unfairly discriminatory by a qualified member of the American Academy of Actuaries. The director shall disapprove rates found to be excessive, inadequate, unjustified, or unfairly discriminatory.

Within 30 days of receiving a notice of deficiencies alleging that a proposed premium rate is excessive, inadequate, unjustified, or unfairly discriminatory, the insurer may amend its rate filing, request reconsideration based upon additional information, or implement the proposed premium rate, unless the rate is unfairly discriminatory. If the insurer implements a rate the director has determined to be excessive, inadequate, unjustified, or unfairly discriminatory, the director shall publish the finding on the department's website indicating such determination.

The provisions of this bill do not apply to health maintenance organizations or the health maintenance organization activities of insurers and health service corporations.

HCA #1: This amendment modifies legislation creating the "Missouri Health Insurance Rate Transparency Act" as follows:

MISSOURI HEALTH INSURANCE RATE TRANSPARENCY ACT

The bill requires health carriers to file premium rates with the Director of the Department of Insurance, Financial Institutions and Professional Registration for any health benefit plans sold in the state. Excepted health benefit plans and grandfathered health benefit plans the rates shall be filed for informational purposes only.

Such rates may be used after the director determines the rates to be reasonable, after the health carrier notifies the director of its intent to use rates that the director deems unreasonable or 60 days after the filing date. The director will notify a health

carrier on the outcome of the rate determination.

The director shall publish final rates on the department's website and provide a means by which the public can submit written comments concerning proposed rate increases as prescribed in the bill.

This bill is similar to HB 891 (2015).

PROPOSERS: Supporters say that the bill will require health carriers in the state to file their rates with the Department of Insurance, Financial Institutions and Professional Registration. Missouri is currently the only state that does not require this information to be provided. Having the rates would allow for better regulation of the industry.

Testifying for the bill were Representative McNeil; Missouri Health Care For All; Joan Bray, Consumers Council Of Missouri; Missouri Health Advocacy Alliance; Empower Missouri; and Sidney Watson.

OPPONENTS: Those who oppose the bill say that the bill would require every health carrier to file their rates with the department. Health insurance coverage is different and what we would prefer to do is follow the requirements of the Center of Medicare and Medicaid Services (CMS) this year. The Affordable Care Act (ACA) requires this information to be filed and for the department to publish it on the website which could incentivise a company to charge higher premiums rather than lowering them.

Testifying against the bill were Anthem BCBS And Missouri Insurance Coalition and Humana.