

House _____ Amendment NO. _____

Offered By

1 AMEND House Bill No. 2211, Page 1, In the Title, Line 3, by deleting the words, "premium rate
2 filings"; and

3
4 Further amend said bill, Pages 1 through 4, Section 376.465, Lines 1 through 82, Section 376.466,
5 Lines 1 through 30, and Section 376.469, Lines 1 through 8, by deleting all of said sections and
6 lines and inserting in lieu thereof the following:

7
8 "374.185. 1. The director may cooperate, coordinate, and consult with other members of
9 the National Association of Insurance Commissioners, the commissioner of securities, state
10 securities regulators, the division of finance, the division of credit unions, the attorney general,
11 federal banking and securities regulators, the National Association of Securities Dealers (NASD),
12 the United States Department of Justice, the Commodity Futures Trading Commission, [and] the
13 Federal Trade Commission, and the United States Department of Health and Human Services to
14 effectuate greater uniformity in insurance and financial services regulation among state and federal
15 governments, and self-regulatory organizations. The director may share records with any aforesaid
16 entity, except that any record that is confidential, privileged, or otherwise protected from disclosure
17 by law shall not be disclosed unless such entity agrees in writing prior to receiving such record to
18 provide it the same protection. No waiver of any applicable privilege or claim of confidentiality
19 regarding any record shall occur as the result of any disclosure.

20 2. In cooperating, coordinating, consulting, and sharing records and information under this
21 section and in acting by rule, order, or waiver under the laws relating to insurance, the director shall,
22 at the discretion of the director, take into consideration in carrying out the public interest the
23 following general policies:

24 (1) Maximizing effectiveness of regulation for the protection of insurance consumers;
25 (2) Maximizing uniformity in regulatory standards; and
26 (3) Minimizing burdens on the business of insurance, without adversely affecting essentials
27 of consumer protection.

28 3. The cooperation, coordination, consultation, and sharing of records and information
29 authorized by this section includes:

30 (1) Establishing or employing one or more designees as a central electronic depository for
31 licensing and rate and form filings with the director and for records required or allowed to be
32 maintained;

33 (2) Encouraging insurance companies and producers to implement electronic filing through
34 a central electronic depository;

35 (3) Developing and maintaining uniform forms;

36 (4) Conducting joint market conduct examinations and other investigations through

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- 1 collaboration and cooperation with other insurance regulators;
 2 (5) Holding joint administrative hearings;
 3 (6) Instituting and prosecuting joint civil or administrative enforcement proceedings;
 4 (7) Sharing and exchanging personnel;
 5 (8) Coordinating licensing under section 375.014;
 6 (9) Formulating rules, statements of policy, guidelines, forms, no action determinations, and
 7 bulletins; and
 8 (10) Formulating common systems and procedures.

9 376.465. 1. This section shall be known and may be cited as the "Missouri Health
 10 Insurance Rate Transparency Act".

11 2. It is the intent of the Missouri general assembly that the review of health insurance rates
 12 as specified in this section is consistent with the general powers of the department as outlined under
 13 section 374.010.

14 3. As used in this section, the following terms mean:

15 (1) "Director", the director of the department of insurance, financial institutions and
 16 professional registration, or his or her designee;

17 (2) "Excepted health benefit plan", a health benefit plan providing the following coverage or
 18 any combination thereof:

19 (a) Coverage only for accident insurance, including accidental death and dismemberment
 20 insurance;

21 (b) Coverage only for disability income insurance;

22 (c) Credit-only insurance;

23 (d) Short-term medical insurance of less than twelve months' duration; or

24 (e) If provided under a separate policy, certificate, or contract of insurance, any of the
 25 following:

26 a. Dental or vision benefits;

27 b. Coverage only for a specified disease or illness; or

28 c. Hospital indemnity or other fixed indemnity insurance;

29 (3) "Grandfathered health benefit plan", a health benefit plan in the small group market that
 30 was issued, or a health benefit plan in the individual market that was purchased, on or before March
 31 23, 2010;

32 (4) "Health benefit plan", the same meaning given to such term under section 376.1350;
 33 however, for purposes of this section, the term shall exclude plans sold in the large group market, as
 34 that term is defined under section 376.450, and shall exclude long-term care and Medicare
 35 supplement plans;

36 (5) "Health carrier", the same meaning given to such term under section 376.1350;

37 (6) "Individual market", the market for health insurance coverage offered directly to
 38 individuals and their dependents and not in connection with a group health benefit plan;

39 (7) "Small group market", the health insurance market under which individuals obtain
 40 health insurance coverage, directly or through an arrangement on behalf of themselves and their
 41 dependents, through a group health plan maintained by a small employer, as defined under section
 42 379.930.

43 4. No health carrier shall deliver, issue for delivery, continue, or renew any health benefit
 44 plan until rates have been filed with the director.

45 5. For excepted health benefit plans, such rates shall be filed, thirty days prior to use, for
 46 informational purposes only. Rates shall not be excessive, inadequate, or unfairly discriminatory.

47 6. For grandfathered health benefit plans, such rates shall be filed, thirty days prior to use,
 48 for informational purposes only.

1 7. (1) For health benefit plans that are not grandfathered health benefit plans or excepted
2 health benefit plans, a health carrier may use rates on the earliest of:

3 (a) The date the director determines the rates are reasonable;

4 (b) The date the health carrier notifies the director of its intent to use rates that the director
5 has deemed unreasonable; or

6 (c) Sixty days after the date of filing rates with the director.

7 (2) The director may notify the health carrier within sixty days of the date of filing rates
8 with the director that the health carrier has failed to provide sufficient rate filing documentation to
9 review the proposed rates. The health carrier may, as described in this section, provide additional
10 information to support the rate filing.

11 8. For health benefit plans described under subsection 7 of this section, all proposed rates
12 and rate filing documentation shall be submitted in the form and content prescribed by rule, which
13 is consistent with the requirements of 45 CFR 154, and shall include review standards and criteria
14 consistent with 45 CFR 154.

15 9. The director shall determine by rule when rates filed under this section shall be made
16 publicly available. Rate filing documentation and other supporting information that is a trade secret
17 or of a proprietary nature, and has been designated as such by the health carrier, shall not be
18 considered a public record.

19 10. For rates filed for health benefit plans described under subsection 7 of this section, the
20 director shall:

21 (1) Provide a means by which the public can submit written comments concerning proposed
22 rate increases;

23 (2) Review proposed rates and rate filing documentation;

24 (3) Determine that a proposed rate is an unreasonable rate if the increase is an excessive
25 rate, an inadequate rate, an unfairly discriminatory rate, or an unjustified rate, consistent with 45
26 CFR 154; and

27 (4) Within sixty days after submission, provide a written notice to the health carrier
28 detailing whether the proposed rates are reasonable or unreasonable. For proposed rates deemed
29 unreasonable, the written notice shall specify deficiencies and provide detailed reasons for the
30 director's decision that the proposed rate is excessive, inadequate, unjustified, or unfairly
31 discriminatory.

32 11. Within thirty days after receiving written notice of the director's determination that the
33 proposed rates are unreasonable, as described under subsection 10 of this section, a health carrier
34 may amend its rates, request reconsideration based upon additional information, or implement the
35 proposed rates. The health carrier shall notify the director of its intention no later than thirty days
36 after its receipt of the written notice of the determination of unreasonable rates.

37 12. If a health carrier implements a rate that the director has determined is unreasonable
38 under subsection 10 of this section, the department shall make such determination public, in a form
39 and manner determined by rule.

40 13. For health benefit plans described under subsection 7 of this section, the director shall
41 publish final rates on the department's website no earlier than thirty days prior to the first day of the
42 annual open enrollment period in the individual market for the applicable calendar year. The final
43 rate is the rate that will be implemented by the health carrier on a specified date.

44 14. Time frames described under this section may be extended upon mutual agreement
45 between the director and the health carrier.

46 15. The director may promulgate rules to promote health insurance rate transparency
47 including, but not limited to, prescribing the form and content of the information required to be
48 submitted and of the standards of review that are consistent with 45 CFR 154. Any rule or portion

1 of a rule, as that term is defined in section 536.010, that is created under the authority delegated in
 2 this section shall become effective only if it complies with and is subject to all of the provisions of
 3 chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable, and
 4 if any of the powers vested with the general assembly under chapter 536 to review, to delay the
 5 effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the
 6 grant of rulemaking authority and any rule proposed or adopted after August 28, 2016, shall be
 7 invalid and void.

8 16. This section shall apply to health benefit plans that are delivered, issued for delivery, continued,
 9 or renewed on or after January 1, 2018. In order to ensure that health benefit plans comply with the
 10 provisions of this section, the director shall promulgate rules regarding the initial implementation of
 11 the provisions of this section. Such rules shall be effective no later than March 1, 2017, and, for
 12 health benefit plans described under subsection 7 of this section, shall include, but not be limited to,
 13 the form and content of the information required to be submitted and of the standards of review,
 14 consistent with 45 CFR 154.

15 379.934. 1. For health benefit plans purchased on or before March 23, 2010, a small
 16 employer carrier may establish a class of business only to reflect substantial differences in expected
 17 claims experience or administrative costs related to the following reasons:

18 (1) The small employer carrier uses more than one type of system for the marketing and
 19 sale of health benefit plans to small employers;

20 (2) The small employer carrier has acquired a class of business from another small
 21 employer carrier; or

22 (3) The small employer carrier provides coverage to one or more association groups that
 23 meet the requirements of subdivision (5) of subsection 1 of section 376.421.

24 2. A small employer carrier may establish up to nine separate classes of business under
 25 subsection 1 of this section. A small employer carrier which immediately prior to the effective date
 26 of sections 379.930 to 379.952 had established more than nine separate classes of business may, on
 27 the effective date of sections 379.930 to 379.952, establish no more than twelve separate classes of
 28 business, and shall reduce the number of such classes to eleven within one year after the effective
 29 date of sections 379.930 to 379.952; ten within two years after such date; and nine within three
 30 years after such date.

31 3. The director may promulgate rules to provide for a period of transition in order for a
 32 small employer carrier to come into compliance with subsection 2 of this section in the instance of
 33 acquisition of an additional class of business from another small employer carrier.

34 4. The director may approve the establishment of additional classes of business upon
 35 application to the director and a finding by the director that such action would enhance the
 36 efficiency and fairness of the small employer marketplace.

37 379.936. 1. Premium rates for health benefit plans purchased on or before March 23, 2010,
 38 and that are subject to sections 379.930 to 379.952, shall be subject to the following provisions:

39 (1) The index rate for a rating period for any class of business shall not exceed the index
 40 rate for any other class of business by more than twenty percent;

41 (2) For a class of business, the premium rates charged during a rating period to small
 42 employers with similar case characteristics for the same or similar coverage, or the rates that could
 43 be charged to such employers under the rating system for that class of business shall not vary from
 44 the index rate by more than thirty-five percent of the index rate;

45 (3) The percentage increase in the premium rate charged to a small employer for a new
 46 rating period may not exceed the sum of the following:

47 (a) The percentage change in the new business premium rate measured from the first day of
 48 the prior rating period to the first day of the new rating period. In the case of a health benefit plan

1 into which the small employer carrier is no longer enrolling new small employers, the small
2 employer carrier shall use the percentage change in the base premium rate, provided that such
3 change does not exceed, on a percentage basis, the change in the new business premium rate for the
4 most similar health benefit plan into which the small employer carrier is actively enrolling new
5 small employers;

6 (b) Any adjustment, not to exceed fifteen percent annually and adjusted pro rata for rating
7 periods of less than one year, due to the claim experience, health status or duration of coverage of
8 the employees or dependents of the small employer as determined from the small employer carrier's
9 rate manual for the class of business; and

10 (c) Any adjustment due to change in coverage or change in the case characteristics of the
11 small employer, as determined from the small employer carrier's rate manual for the class of
12 business;

13 (4) Adjustments in rates for claim experience, health status and duration of coverage shall
14 not be charged to individual employees or dependents. Any such adjustment shall be applied
15 uniformly to the rates charged for all employees and dependents of the small employer;

16 (5) Premium rates for health benefit plans shall comply with the requirements of this section
17 notwithstanding any assessments paid or payable by small employer carriers pursuant to sections
18 379.942 and 379.943;

19 (6) A small employer carrier may utilize the employer's industry as a case characteristic in
20 establishing premium rates, provided that the rate factor associated with any industry classification
21 shall not vary by more than ten percent from the arithmetic mean of the highest and lowest rate
22 factors associated with all industry classifications;

23 (7) In the case of health benefit plans issued prior to July 1, 1993, a premium rate for a
24 rating period may exceed the ranges set forth in subdivisions (1) and (2) of this subsection for a
25 period of three years following July 1, 1993. In such case, the percentage increase in the premium
26 rate charged to a small employer for a new rating period shall not exceed the sum of the following:

27 (a) The percentage change in the new business premium rate measured from the first day of
28 the prior rating period to the first day of the new rating period. In the case of a health benefit plan
29 into which the small employer carrier is no longer enrolling new small employers, the small
30 employer carrier shall use the percentage change in the base premium rate, provided that such
31 change does not exceed, on a percentage basis, the change in the new business premium rate for the
32 most similar health benefit plan into which the small employer carrier is actively enrolling new
33 small employers;

34 (b) Any adjustment due to change in coverage or change in the case characteristics of the
35 small employer, as determined from the carrier's rate manual for the class of business;

36 (8) (a) Small employer carriers shall apply rating factors, including case characteristics,
37 consistently with respect to all small employers in a class of business. Rating factors shall produce
38 premiums for identical groups which differ only by amounts attributable to plan design and do not
39 reflect differences due to the nature of the groups assumed to select particular health benefit plans;

40 (b) A small employer carrier shall treat all health benefit plans issued or renewed in the
41 same calendar month as having the same rating period;

42 (9) For the purposes of this subsection, a health benefit plan that utilizes a restricted
43 provider network shall not be considered similar coverage to a health benefit plan that does not
44 utilize such a network, provided that utilization of the restricted provider network results in
45 substantial differences in claims costs;

46 (10) A small employer carrier shall not use case characteristics, other than age, sex,
47 industry, geographic area, family composition, and group size without prior approval of the director;

48 (11) The director may promulgate rules to implement the provisions of this section and to

1 assure that rating practices used by small employer carriers are consistent with the purposes of
2 sections 379.930 to 379.952, including:

3 (a) Assuring that differences in rates charged for health benefit plans by small employer
4 carriers are reasonable and reflect objective differences in plan design, not including differences due
5 to the nature of the groups assumed to select particular health benefit plans; and

6 (b) Prescribing the manner in which case characteristics may be used by small employer
7 carriers.

8 2. A small employer carrier shall not transfer a small employer involuntarily into or out of a
9 class of business. A small employer carrier shall not offer to transfer a small employer into or out
10 of a class of business unless such offer is made to transfer all small employers in the class of
11 business without regard to case characteristics, claim experience, health status or duration of
12 coverage.

13 3. The director may suspend for a specified period the application of subdivision (1) of
14 subsection 1 of this section as to the premium rates applicable to one or more small employers
15 included within a class of business of a small employer carrier for one or more rating periods upon a
16 filing by the small employer carrier and a finding by the director either that the suspension is
17 reasonable in light of the financial condition of the small employer carrier or that the suspension
18 would enhance the efficiency and fairness of the marketplace for small employer health insurance.

19 4. In connection with the offering for sale of any health benefit plan to a small employer, a
20 small employer carrier shall make a reasonable disclosure, as part of its solicitation and sales
21 materials, of all of the following:

22 (1) The extent to which premium rates for a specified small employer are established or
23 adjusted based upon the actual or expected variation in claims costs or actual or expected variation
24 in health status of the employees of the small employer and their dependents;

25 (2) The provisions of the health benefit plan concerning the small employer carrier's right to
26 change premium rates and factors, other than claim experience, that affect changes in premium
27 rates;

28 (3) The provisions relating to renewability of policies and contracts; and

29 (4) The provisions relating to any preexisting condition provision.

30 5. (1) Each small employer carrier shall maintain at its principal place of business a
31 complete and detailed description of its rating practices and renewal underwriting practices,
32 including information and documentation that demonstrate that its rating methods and practices are
33 based upon commonly accepted actuarial assumptions and are in accordance with sound actuarial
34 principles.

35 (2) Each small employer carrier shall file with the director annually on or before March
36 fifteenth an actuarial certification certifying that the carrier is in compliance with sections 379.930
37 to 379.952 and that the rating methods of the small employer carrier are actuarially sound. Such
38 certification shall be in a form and manner, and shall contain such information, as specified by the
39 director. A copy of the certification shall be retained by the small employer carrier at its principal
40 place of business.

41 (3) A small employer carrier shall make the information and documentation described in
42 subdivision (1) of this [section] subsection available to the director upon request.

43 379.938. 1. A health benefit plan subject to sections 379.930 to 379.952 shall be renewable
44 with respect to all eligible employees and dependents, at the option of the small employer, except in
45 any of the following cases:

46 (1) The plan sponsor fails to pay a premium or contribution in accordance with the terms of
47 a health benefit plan or the health carrier has not received a timely premium payment;

48 (2) The plan sponsor performs an act or practice that constitutes fraud, or makes an

1 intentional misrepresentation of material fact under the terms of the coverage;

2 (3) Noncompliance with the carrier's minimum participation requirements;

3 (4) Noncompliance with the carrier's employer contribution requirements;

4 (5) In the case of a small employer carrier that offers coverage through a network plan,
5 there is no longer any enrollee under the health benefit plan who lives, resides or works in the
6 service area of the health insurance issuer and the small employer carrier would deny enrollment
7 with respect to such plan under subsection 4 of this section;

8 (6) The small employer carrier elects to discontinue offering a [particular type of health
9 benefit plan] product, as defined in 45 CFR 144.103, in the state's small group market. A type of
10 [health benefit plan] product may be discontinued by a small employer carrier in such market only if
11 such carrier:

12 (a) Issues a notice to each plan sponsor provided coverage of such type in the small group
13 market (and participants and beneficiaries covered under such coverage) of the discontinuation at
14 least ninety days prior to the date of discontinuation of the coverage;

15 (b) Offers to each plan sponsor provided coverage of such type the option to purchase all
16 other health benefit plans currently being offered by the small employer carrier in the state's small
17 group market; and

18 (c) Acts uniformly without regard to the claims experience of those plan sponsors or any
19 health status-related factor relating to any participants or beneficiaries covered or new participants
20 or beneficiaries who may become eligible for such coverage;

21 (7) A small employer carrier elects to discontinue offering all health insurance coverage in
22 the small group market in this state. A small employer carrier shall not discontinue offering all
23 health insurance coverage in the small employer market unless:

24 (a) The carrier provides notice of discontinuation to the director and to each plan sponsor
25 (and participants and beneficiaries covered under such coverage) at least one hundred eighty days
26 prior to the date of the discontinuation of coverage; and

27 (b) All health insurance issued or delivered for issuance in Missouri in the small employer
28 market is discontinued and coverage under such health insurance is not renewed;

29 (8) In the case of health insurance coverage that is made available in the small group market
30 only through one or more bona fide associations, the membership of an employer in the association
31 (on the basis of which the coverage is provided) ceases but only if such coverage is terminated
32 under this subdivision uniformly without regard to any health status-related factor relating to any
33 covered individual;

34 (9) The director finds that the continuation of the coverage would:

35 (a) Not be in the best interests of the policyholders or certificate holders; or

36 (b) Impair the carrier's ability to meet its contractual obligations.

37
38 In such instance the director shall assist affected small employers in finding replacement coverage.

39 2. A small employer carrier that elects not to renew a health benefit plan under subdivision
40 (7) of subsection 1 of this section shall be prohibited from writing new business in the small
41 employer market in this state for a period of five years from the date of notice to the director.

42 3. In the case of a small employer carrier doing business in one established geographic
43 service area of the state, the provisions of this section shall apply only to the carrier's operations in
44 such service area.

45 4. At the time of coverage renewal, a health insurance issuer may modify the health
46 insurance coverage for a product offered to a group health plan in the small group market if, for
47 coverage that is available in such market other than only through one or more bona fide
48 associations, such modification is consistent with state law and effective on a uniform basis among

1 group health plans with that product. For purposes of this subsection, renewal shall be deemed to
2 occur not more often than annually on the anniversary of the effective date of the group health
3 plan's health insurance coverage unless a longer term is specified in the policy or contract.

4 5. In the case of health insurance coverage that is made available by a small employer
5 carrier only through one or more bona fide associations, references to plan sponsor in this section is
6 deemed, with respect to coverage provided to a small employer member of the association, to
7 include a reference to such employer.

8 379.940. 1. (1) Every small employer carrier shall, as a condition of transacting business in
9 this state with small employers, actively offer to small employers all health benefit plans it actively
10 markets to small employers in this state, except for plans developed for health benefit trust funds.

11 (2) (a) A small employer carrier shall issue a health benefit plan to any eligible small
12 employer that applies for either such plan and agrees to make the required premium payments and
13 to satisfy the other reasonable provisions of the health benefit plan not inconsistent with sections
14 379.930 to 379.952.

15 (b) For health benefit plans purchased on or before March 23, 2010, in the case of a small
16 employer carrier that establishes more than one class of business pursuant to section 379.934, the
17 small employer carrier shall maintain and issue to eligible small employers all health benefit plans
18 in each class of business so established. A small employer carrier may apply reasonable criteria in
19 determining whether to accept a small employer into a class of business, provided that:

20 a. The criteria are not intended to discourage or prevent acceptance of small employers
21 applying for a health benefit plan;

22 b. The criteria are not related to the health status or claim experience of the small employer;

23 c. The criteria are applied consistently to all small employers applying for coverage in the
24 class of business; and

25 d. The small employer carrier provides for the acceptance of all eligible small employers
26 into one or more classes of business. The provisions of this paragraph shall not apply to a class of
27 business into which the small employer carrier is no longer enrolling new small employers.

28 2. Health benefit plans purchased on or before March 23, 2010 covering small employers
29 shall comply with the following provisions:

30 (1) A health benefit plan shall comply with the provisions of sections 376.450 and 376.451.

31 (2) (a) Except as provided in paragraph (d) of this subdivision, requirements used by a
32 small employer carrier in determining whether to provide coverage to a small employer, including
33 requirements for minimum participation of eligible employees and minimum employer
34 contributions, shall be applied uniformly among all small employers with the same number of
35 eligible employees applying for coverage or receiving coverage from the small employer carrier.

36 (b) A small employer carrier shall not require a minimum participation level greater than:

37 a. One hundred percent of eligible employees working for groups of three or less
38 employees; and

39 b. Seventy-five percent of eligible employees working for groups with more than three
40 employees.

41 (c) In applying minimum participation requirements with respect to a small employer, a
42 small employer carrier shall not consider employees or dependents who have qualifying existing
43 coverage in determining whether the applicable percentage of participation is met.

44 (d) A small employer carrier shall not increase any requirement for minimum employee
45 participation or modify any requirement for minimum employer contribution applicable to a small
46 employer at any time after the small employer has been accepted for coverage.

47 (3) (a) If a small employer carrier offers coverage to a small employer, the small employer
48 carrier shall offer coverage to all of the eligible employees of a small employer and their dependents

1 who apply for enrollment during the period in which the employee first becomes eligible to enroll
2 under the terms of the plan. A small employer carrier shall not offer coverage to only certain
3 individuals or dependents in a small employer group or to only part of the group.

4 (b) A small employer carrier shall not modify a health benefit plan with respect to a small
5 employer or any eligible employee or dependent through riders, endorsements or otherwise, to
6 restrict or exclude coverage for certain diseases or medical conditions otherwise covered by the
7 health benefit plan.

8 (c) An eligible employee may choose to retain their individually underwritten health benefit
9 plan at the time such eligible employee is entitled to enroll in a small employer health benefit plan.
10 If the eligible employee retains their individually underwritten health benefit plan, a small employer
11 may provide a defined contribution through the establishment of a cafeteria 125 plan under section
12 379.953. Small employers shall establish an equal amount of defined contribution for all plans. If
13 an eligible employee retains their individually underwritten health benefit plan under this
14 subdivision, the provisions of sections 379.930 to 379.952 shall not apply to the individually
15 underwritten health benefit plan.

16 3. (1) Subject to subdivision (3) of this subsection, a small employer carrier shall not be
17 required to offer coverage or accept applications pursuant to subsection 1 of this section in the case
18 of the following:

19 (a) To a small employer, where the small employer is not physically located in the carrier's
20 established geographic service area;

21 (b) To an employee, when the employee does not live, work or reside within the carrier's
22 established geographic service area; or

23 (c) Within an area where the small employer carrier reasonably anticipates, and
24 demonstrates to the satisfaction of the director, that it will not have the capacity within its
25 established geographic service area to deliver service adequately to the members of such groups
26 because of its obligations to existing group policyholders and enrollees.

27 (2) A small employer carrier that cannot offer coverage pursuant to paragraph (c) of
28 subdivision (1) of this subsection may not offer coverage in the applicable area to new cases of
29 employer groups with more than fifty eligible employees or to any small employer groups until the
30 later of one hundred eighty days following each such refusal or the date on which the carrier notifies
31 the director that it has regained capacity to deliver services to small employer groups.

32 (3) A small employer carrier shall apply the provisions of this subsection uniformly to all
33 small employers without regard to the claims experience of a small employer and its employees and
34 their dependents or any health status-related factor relating to such employees and their dependents.

35 4. A small employer carrier shall not be required to provide coverage to small employers
36 pursuant to subsection 1 of this section for any period of time for which the director determines that
37 requiring the acceptance of small employers in accordance with the provisions of subsection 1 of
38 this section would place the small employer carrier in a financially impaired condition, and the
39 small employer is applying this subsection uniformly to all small employers in the small group
40 market in this state consistent with applicable state law and without regard to the claims experience
41 of a small employer and its employees and their dependents or any health status-related factor
42 relating to such employees and their dependents."; and

43
44 Further amend said bill by amending the title, enacting clause, and intersectional references
45 accordingly.