

HB 1405 with HCA 1 -- HEALTH INSURANCE PREMIUM RATE FILING

SPONSOR: White

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

Beginning July 1, 2017, this bill prohibits a health carrier from delivering, issuing for delivery, continuing, or renewing any health benefit plan insuring Missouri residents until at least 30 days after the classification of risks and premium rates have been filed with the Director of the Department of Insurance, Financial Institutions and Professional Registration.

The department director will issue a determination on whether the premium rates filed are justified. If a premium rate is determined to be unjustified, the health carrier may appeal the department director's determination.

The required information filed is considered an open record, except for information which is a trade secret or of a proprietary nature.

Each premium rate used that was not filed is a level two violation under Section 374.049, RSMo.

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 plan and grandfathered health benefit plan 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 provision is the same as HB 282 (2015).

PROPONENTS: 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 White; Sidney Watson; Missouri Health Care For All; Empower Missouri; Missouri Health Advocacy Alliance; and Joan Bray, Consumers Council Of Missouri.

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 we would prefer to do what is required to be sent in to the Centers for Medicare and Medicaid Services (CMS) this year. The Affordable Care Act (ACA) requires this which could incentivise a company to charge higher premiums rather than lowering them.

Testifying against the bill were Humana; Anthem Blue Cross Blue Shield; and the Missouri Insurance Coalition.