

1 SB123
2 155571-5
3 By Senators Blackwell and Orr
4 RFD: Banking and Insurance
5 First Read: 14-JAN-14

1 SB123

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4 ENROLLED, An Act,

5 To amend Section 27-52-1, Code of Alabama 1975,
6 relating to health insurance; to authorize the Alabama Health
7 Insurance Plan to cease operations under certain conditions
8 upon giving time to current participants to transition out of
9 the plan; and to provide for the transfer of unspent and
10 unencumbered funds to the State General Fund.

11 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

12 Section 1. Section 27-52-1, Code of Alabama 1975, is
13 amended to read as follows:

14 "§27-52-1.

15 "(a) There is hereby created the Alabama Health
16 Insurance Plan which shall, as a high risk pool in the State
17 of Alabama, provide health insurance coverage to eligible
18 individuals as an alternative to ~~federal oversight required~~
19 requiring insurers to offer guaranteed-issue policies, as
20 provided in the Health Insurance Portability and
21 Accountability Act of 1996 ~~(H.R. 3103)~~ (Pub.L. 104-191, also
22 known as ~~the Kassebaum-Kennedy Act~~ HIPAA.

23 "(b) In the event any federal mandate includes
24 market reform provisions which satisfy the guaranteed-issue
25 requirements of HIPAA, the Alabama Health Insurance Plan may

1 cease operations upon giving sufficient time for current
2 participants to transition out of the plan. After operation of
3 the Alabama Health Insurance Plan ceases and all current and
4 future liabilities of the plan have been satisfied, any
5 unspent and unencumbered funds of the plan shall be
6 transferred to the State General Fund.

7 "(c) In the event a federal mandate requires the
8 State of Alabama after the effective date of the act adding
9 this subsection to offer guaranteed-issue health coverage to
10 eligible individuals, the Alabama Health Insurance Plan shall
11 be reestablished and implemented to satisfy the requirements
12 of the federal mandate."

13 Section 2. This act shall become effective
14 immediately following its passage and approval by the
15 Governor, or its otherwise becoming law.

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President and Presiding Officer of the Senate

Speaker of the House of Representatives

SB123

Senate 28-JAN-14

I hereby certify that the within Act originated in and passed the Senate.

Patrick Harris
Secretary

House of Representatives

Passed: 18-MAR-14

By: Senator Blackwell