

1           HB66  
2        155571-1  
3        By Representative Clouse  
4        RFD: Insurance  
5        First Read: 14-JAN-14  
6        PFD: 12/18/2013

8 SYNOPSIS: Under existing law, the Alabama Health  
9 Insurance Plan was created to comply with the  
10 requirements of the Health Insurance Portability  
11 and Accountability Act (HIPPA) to provide  
12 guaranteed-issue health insurance to eligible  
13 persons in this state.

14 This bill would authorize the Alabama Health  
15 Insurance Plan to cease operations if the market  
16 reforms provided in the Patient Protection and  
17 Affordable Care Act satisfy the guaranteed-issue  
18 requirements of HIPPA.

19 The bill would also provide that, after  
20 liabilities of the plan are satisfied, unspent and  
21 unencumbered funds of the plan would be transferred  
22 to the State General Fund.

23  
24 A BILL  
25  
26 TO BE ENTITLED  
27 AN ACT

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

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

"§27-52-1.

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

"(b) In the event any federal mandate includes market reform provisions which satisfy the guaranteed-issue requirements of HIPPA, the Alabama Health Insurance Plan may cease operations upon giving sufficient time for current participants to transition out of the plan. After operation of the Alabama Health Insurance Plan ceases and all current and future liabilities of the plan have been satisfied, any unspent and unencumbered funds of the plan shall be transferred to the State General Fund.

1                    "(c) In the event a federal mandate requires the  
2                    State of Alabama after the effective date of the act adding  
3                    this subsection to offer guaranteed-issue health coverage to  
4                    eligible individuals, the Alabama Health Insurance Plan shall  
5                    be reestablished and implemented to satisfy the requirements  
6                    of the federal mandate."

7                    Section 2. This act shall become effective  
8                    immediately following its passage and approval by the  
9                    Governor, or its otherwise becoming law.