HB283

EJRMG92-1

By Representative Colvin

RFD: Insurance

First Read: 20-Jan-26

SYNOPSIS:

This bill would create the Health Savings Account State-Federal Regulatory Coordination Act to protect the efficacy of Health Savings Account qualified plans from any state benefit mandate or federal copay accumulator adjustment law, regulation, or guidance relating to high deductible health plans.

This bill would also authorize the Commissioner of Insurance to adopt rules as necessary to implement this act.

A BILL

TO BE ENTITLED

AN ACT

Relating to health insurance; to create the Health Savings Account State-Federal Regulatory Coordination Act; to add Article 5 to Chapter 19, Title 27, Code of Alabama 1975, to limit application of a federal cost-sharing requirement to instances where the minimum deductible under federal law has been applied to an enrollee's plan; to ensure the enrollee's health savings account continues to qualify as a high-deductible plan under federal law; and to amend Sections 10A-20-6.16 and 27-21A-23, Code of Alabama 1975, relating to

certain health care service corporations and health maintenance organizations, to reference the new Article 5, Chapter 9, Title 27, Code of Alabama 1975, created by the new article.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Article 5 is added to Chapter 19, Title 27 of the Code of Alabama 1975, to read as follows:

Article 5. The Health Savings Account State-Federal Regulatory Coordination Act.

§27-19-180

(a) This article shall be known and may be cited as the Health Savings Account State-Federal Regulatory Coordination Act.

(b) The purpose of this article is to protect the efficacy of Health Savings Account (HSA) qualified plans via a legislative exception or safe harbor from any state benefit mandate or copay accumulator adjustment law due to federal law, regulations, rules, or guidance regarding high deductible health plans.

(c) For purposes of this article, the following terms have the following meanings:

(1) ENROLLEE. An individual who is enrolled in a health insurance plan, whether on an individual or group basis, including any covered dependent.

(2) HEALTH SAVINGS ACCOUNT QUALIFIED INSURANCE PLAN or HSA. A high deductible health plan that meets the specific requirements of 26 U.S.C. § 223, as interpreted and administered by the federal Internal Revenue Service.

Individuals covered by such a plan may contribute to a Health Savings Account (HSA), a trust, or a custodial account for qualified medical expenses. An individual may not contribute to an HSA unless he or she is covered by an HSA-qualified insurance plan and has no other disqualifying coverage. An eligible individual may deduct contributions from income taxes, and employers and employees may contribute on a pre-tax basis through payroll deduction. HSA owners may use deposited funds tax-free for qualified medical expenses incurred by themselves and eligible dependents.

(3) HIGH DEDUCTIBLE HEALTH PLAN. A health insurance plan, as defined in 26 U.S.C. § 223(c)(2).

(4) PREVENTIVE CARE. Those services defined as such by the U.S. Department of the Treasury and the Internal Revenue Service, including preventive services recognized under the Affordable Care Act, pursuant to regulation or guidance issued under the authority of Title 26 of the United States Code. In general, the term does not include services that provide treatment for known illnesses, diseases, or conditions. However, under IRS Notice 2019-45, the term also includes specified products and services provided to individuals with certain defined chronic conditions including, but not limited to, diabetes, asthma, and heart disease.

(5) ZERO COST-SHARING or COST-SHARING RESTRICTIONS. Prohibition outright of any deductible, copayment, or coinsurance on the part of the enrollee or certain limitations on the amount of the deductible, copayment, or coinsurance.

(d) If under federal law, the application of any

cost-sharing requirement of the Insurance Code would cause the enrollee's health savings account plan to no longer qualify as a high-deductible health plan under 26 U.S.C. § 223, then the cost-sharing requirement shall only apply to the enrollee's plan once the minimum deductible under 26 U.S.C. § 223 has been applied.

(e) The Commissioner of Insurance may adopt rules as necessary to implement this section.

Section 2. Sections 10A-20-6.16 and 27-21A-23 of the Code of Alabama 1975, are amended to read as follows:

"§10A-20-6.16

(a) No statute of this state applying to insurance companies shall be applicable to any corporation organized under this article ~~and amendments thereto~~ or to any contract made by the corporation~~;~~, except the corporation shall be subject to the following:

(1) The provisions regarding annual premium tax to be paid by insurers on insurance premiums.

(2) Chapter 55 of Title 27.

(3) Article 2 and Article 3 of Chapter 19 of Title 27.

(4) Section 27-1-17.

(5) Chapter 56 of Title 27.

(6) Rules adopted by the Commissioner of Insurance pursuant to Sections 27-7-43 and 27-7-44.

(7) Chapter 54 of Title 27.

(8) Chapter 57 of Title 27.

(9) Chapter 58 of Title 27.

(10) Chapter 59 of Title 27.

(11) Chapter 54A of Title 27.

(12) Chapter 12A of Title 27.

(13) Chapter 2B of Title 27.

(14) Chapter 29 of Title 27.

(15) Chapter 62 of Title 27.

(16) Chapter 63 of Title 27.

(17) Chapter 45A of Title 27.

(18) Article 5 of Chapter 19 of Title 27.

(b) The provisions in subsection (a) that require specific types of coverage to be offered or provided shall not apply when the corporation is administering a self-funded benefit plan or similar plan, fund, or program that it does not insure."

"§27-21A-23

(a) Except as otherwise provided in this chapter, provisions of the insurance law and provisions of health care service plan laws shall not be applicable to any health maintenance organization granted a certificate of authority under this chapter. This ~~provision~~subsection shall not apply to an insurer or health care service plan licensed and regulated pursuant to the insurance law or the health care service plan laws of this state except with respect to its health maintenance organization activities authorized and regulated pursuant to this chapter.

(b) Solicitation of enrollees by a health maintenance organization granted a certificate of authority shall not be construed to violate any provision of law relating to solicitation or advertising by health professionals.

(c) Any health maintenance organization authorized under this chapter shall not be deemed to be practicing medicine and shall be exempt from the provisions of Section 34-24-310, et seq., relating to the practice of medicine.

(d) No person participating in the arrangements of a health maintenance organization other than the actual provider of health care services or supplies directly to enrollees and their families shall be liable for negligence, misfeasance, nonfeasance, or malpractice in connection with the furnishing of such services and supplies.

(e) Nothing in this chapter shall be construed in any way to repeal or conflict with any provision of the certificate of need law.

(f) Notwithstanding the provisions of subsection (a), a health maintenance organization shall be subject to all of the following:

(1) Section 27-1-17.

(2) Chapter 56.

(3) Chapter 54.

(4) Chapter 57.

(5) Chapter 58.

(6) Chapter 59.

(7) Rules adopted by the Commissioner of Insurance pursuant to Sections 27-7-43 and 27-7-44.

(8) Chapter 12A.

(9) Chapter 54A.

(10) Chapter 2B.

(11) Chapter 29.

(12) Chapter 62.

(13) Chapter 63.

(14) Chapter 45A.

(15) Article 5 of Chapter 19."

Section 3. This act shall become effective on June 1, 2026.