SENATE DOCKET, NO. 8 FILED ON: 1/9/2013

SENATE . . . . . No. 545

The Commonwealth of Massachusetts

PRESENTED BY:

Michael O. Moore

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying:

An Act relative to supplemental lines of insurance.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Michael O. Moore	*Second Worcester*

SENATE DOCKET, NO. 8 FILED ON: 1/9/2013

SENATE . . . . . No. 545

By Mr. Michael O. Moore, a petition (accompanied by bill, Senate, No. 545) of Michael O. Moore for legislation relative to supplemental lines of insurance. Health Care Financing.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE
SENATE
, NO. *524* OF 2011-2012.]

The Commonwealth of Massachusetts

An Act relative to supplemental lines of insurance.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Section 6 of chapter 118G of the General Laws, as appearing in the 2010 Official Edition, is hereby amended by striking the fifth paragraph and inserting in place thereof the following:-

The division shall require the submission of data and other information from each private health care payer offering small or large group health plans including, but not limited to: (i) average annual individual and family plan premiums for each payer's most popular plans for a representative range of group sizes, as further determined in regulations and average annual individual and family plan premiums for the lowest cost plan in each group size that meets the minimum standards and guidelines established by the division of insurance under section 8H of chapter 26; (ii) information concerning the actuarial assumptions that underlie the premiums for each plan; (iii) summaries of the plan designs for each plan; (iv) information concerning the medical and administrative expenses, including medical loss ratios for each plan, using a uniform methodology, and collected under section 21 of chapter 176O; (v) information concerning the payer's current level of reserves and surpluses; (vi) information on provider payment methods and levels; (vii) health status adjusted total medical expenses by provider group and local practice group and zip code calculated according to a uniform methodology; (viii) relative prices paid to every hospital, physician group, ambulatory surgical center, freestanding imaging center, mental health facility, rehabilitation facility, skilled nursing facility and home health provider in the payer's network, by type of provider and calculated according to a uniform methodology; and

20 (ix) hospital inpatient and outpatient costs, including direct and indirect costs, according to a
21 uniform methodology. For the purposes of this section the following products of a private health
22 care payer are excluded from the data submission requirements of this section: accident only,
23 credit only, limited scope vision or dental benefits if offered separately; hospital indemnity
24 insurance policies if offered as independent, non- coordinated benefits which for the purposes of
25 this chapter shall mean policies issued under chapter 175 which provide a benefit not to exceed
26 $500 per day, as adjusted on an annual basis by the amount of increase in the average weekly
27 wages in the commonwealth as defined in section 1 of chapter 152, to be paid to an insured or a
28 dependent, including the spouse of an insured, on the basis of a hospitalization of the insured or a
29 dependent; disability income insurance; coverage issued as a supplement to liability insurance;
30 specified disease insurance that is purchased as a supplement and not as a substitute for a health
31 plan and meets any requirements the commissioner by regulation may set; insurance arising out
32 of a workers' compensation law or similar law; automobile medical payment insurance;
33 insurance under which benefits are payable with or without regard to fault and which is
34 statutorily required to be contained in a liability insurance policy or equivalent self insurance;
35 long-term care if offered separately; coverage supplemental to the coverage provided under 10
36 U.S.C. 55 if offered as a separate insurance policy; or any policy subject to chapter 176K or any
37 similar policies issued on a group basis, Medicare Advantage plans or Medicare Prescription
38 drug plans.