

HOUSE No. 1107

The Commonwealth of Massachusetts

In the Year Two Thousand Nine

An Act to Promote Health Insurance Transparency ..

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

1 SECTION 1. Section 8H of Chapter 26 of the General Laws, as appearing in the 2006
2 Official Edition, is hereby amended by inserting after paragraph 3 the following words:

3 The division of insurance is directed to collect at least annually report to the Legislature
4 and the public the following information from all domestic insurers and nonprofit hospital,
5 medical and dental service corporations as defined in section one of chapter one hundred and
6 seventy-six A, section one of chapter one hundred and seventy-six B, and section one of chapter
7 one hundred and seventy-six E the following information on all types of medical and casualty
8 insurance packages and programs whether publicly or privately funded that they write,
9 underwrite or manage:

10 The medical loss ratio

11 Marketing and promotional costs

12 Claims management costs and the number of claims processed

13 Brokerage fees

14 Total compensation for all executives and consultants

15 Any additional administrative costs as determined by the commissioner.

16 Such information shall be collected and reported in a manner that permits accurate

17 comparison of lines of business and products by:

18 Primary source of funding, state, local, federal, employer, individual;

19 Size of purchaser, including individual purchasers

20 Benefit package

21 Age

22 Gender

23 Health status Risk category

24 Geographic area

25 The first such report must be submitted to the Legislature and made available to the

26 public no later than 6 months following enactment of this legislation.

27 The division of insurance is directed to produce forthwith; all information on qualifying

28 student health insurance program (QSHIP) to determine, the medical loss ratio of all lines of

29 business connected in any way with QSHIP, an evaluation produced by the division of the

30 actuarial value of the health insurance policies that are mandated for these students and the

31 promotional and marketing costs that are associated with QSHIP, comprehensive information on

32 executive and consultant compensation in each of the companies that are writing such insurance

- 33 and brokerage fees and administrative costs that are incurred in the course of doing business in
- 34 the QSHIP market.