

# HOUSE . . . . . No. 812

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## The Commonwealth of Massachusetts

PRESENTED BY:

*James M. Cantwell*

*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 adoption of the accompanying bill:

**An Act Protecting Small Group Health Insurance.**

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>James M. Cantwell</i>	<i>4th Plymouth</i>	<i>1/16/2015</i>

# HOUSE . . . . . No. 812

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By Mr. Cantwell of Marshfield, a petition (accompanied by bill, House, No. 812) of James M. Cantwell for legislation to ensure group base premium insurance rates for eligible small employers. Financial Services.

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## The Commonwealth of Massachusetts

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In the One Hundred and Eighty-Ninth General Court  
(2015-2016)  
\_\_\_\_\_

An Act Protecting Small Group Health Insurance.

*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. Chapter 35 of the Acts of 2013 is hereby amended by striking out Sections  
2   102 and 102A and inserting in place thereof the following two sections:-

3           SECTION 102. Notwithstanding chapter 176J of the General Laws, for the period from  
4   January 1, 2014 through December 31, 2017, carriers may develop the group base premium for  
5   eligible small employers in order to vary the group base premium by enrollment or renewal  
6   month and shall file the group base premium as part of a rate filing for each calendar quarter.

7           In calculating the premium to be charged to each eligible small group or eligible  
8   individual, carriers may utilize and apply a portion of the following rate adjustment factors,  
9   provided, that the carrier has such factor in place as of July 1, 2013, in addition to those rate  
10   adjustment factors permitted under said chapter 176J: (i) an industry rate adjustment factor; (ii) a  
11   participation rate adjustment factor; (iii) a group size rate adjustment factor; (iv) an intermediary  
12   rate adjustment factor; or (v) a group purchasing cooperative rate adjustment factor. The

commissioner of insurance shall promulgate regulations to implement this section, including, but not limited to, regulations setting forth the manner in which carriers may utilize and apply the rate adjustment factors set forth in this section during the period from January 1, 2014 through December 31, 2017, to the extent required by federal law.

SECTION 102A. The commonwealth, by and through the governor or the governor's designee, shall formally request a federal waiver to avoid the adverse effects of rating and rule changes to the Massachusetts merged market, to protect consumers and businesses in the commonwealth and in an effort to maintain current Massachusetts rating and rule requirements including, but not limited to, the number of ratings factors and the number of annual rate settings. All negotiations with any federal agency concerning this waiver shall be conducted in consultation with a member of the house of representatives as appointed by the speaker of the house and a member of the senate as appointed by the senate president. The governor, or the governor's designee shall file a detailed report describing the waiver application and waivers received, along with all documentation, including, but not limited to, all related written and verbal responses from the department of health and human services, with the clerks of the senate and house not later than October 1, 2015. The governor shall report monthly to the joint committee on health care financing and the house and senate committees on ways and means on the status of the waiver request under this section.