

HB 1028-FN - AS INTRODUCED

2022 SESSION

22-2321

11/05

HOUSE BILL ***1028-FN***

AN ACT relative to the form of individual health insurance policies.

SPONSORS: Rep. Yakubovich, Merr. 24; Rep. Blasek, Hills. 21; Rep. Ankarberg, Straf. 10; Rep. Layon, Rock. 6; Rep. Cushman, Hills. 2; Rep. Binford, Graf. 15; Rep. Abramson, Rock. 37; Rep. Warden, Hills. 15

COMMITTEE: Commerce and Consumer Affairs

ANALYSIS

This bill modifies the form of individual health insurance policies.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears ~~[in brackets and struckthrough.]~~
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Two

AN ACT relative to the form of individual health insurance policies.

Be it Enacted by the Senate and House of Representatives in General Court convened:

- 1 1 Accident and Health Insurance; Form of Policy. Amend RSA 415:5, III to read as follows:
2 III. ~~[Nonrenewable,]~~ Individual health insurance policies which provide medical, hospital, or
3 major medical expense benefits for a specified term may be delivered or issued for delivery to any
4 person in this state ~~[for purposes of providing short term, interim coverage only and no such policy~~
5 ~~shall provide coverage for a specified term in excess of 6 months, nor shall any such policy be issued~~
6 ~~in this state to a person who was previously covered under short term medical policies providing in~~
7 ~~total more than 540 days of coverage within the preceding 24 month period].~~
8 2 Effective Date. This act shall take effect 60 days after its passage.

**HB 1028-FN- FISCAL NOTE
AS INTRODUCED**

AN ACT relative to the form of individual health insurance policies.

FISCAL IMPACT: State County Local None

STATE:	Estimated Increase / (Decrease)			
	FY 2022	FY 2023	FY 2024	FY 2025
Appropriation	\$0	\$0	\$0	\$0
Revenue	\$0	Indeterminable	Indeterminable	Indeterminable
Expenditures	\$0	\$0	\$0	\$0
Funding Source:	<input checked="" type="checkbox"/> General <input type="checkbox"/> Education <input checked="" type="checkbox"/> Highway <input checked="" type="checkbox"/> Other - NH Insurance Department Assessment, Various Government Funds			

METHODOLOGY:

The Insurance Department assumes this bill would permit short term coverage with unlimited renewals. The Department indicates coverage that is not short term would have to comply with the major medical health insurance provisions. Short term coverage permits pre-existing condition clauses without consideration of credible coverage. The pre-existing condition period begins with the policy’s effective date. The Department assumes the effective date of the coverage would be newly determined at each renewal. The Department indicates this may lead to anti-selection as consumers might choose the less expensive short-term coverage until they find that they need more comprehensive coverage, then opting into the traditional market at the open enrollment. This consumer behavior would cause upward pressure on premiums in the traditional market, offset by lower premiums in this short term market. The impact on premium tax revenue is not clear. The Department assumes this bill would not impact its operating fund.

It is assumed that any fiscal impact would occur after FY 2022.

AGENCIES CONTACTED:

Insurance Department