

SB 150-FN – AS INTRODUCED

2011 SESSION

11-0458  
01/09

SENATE BILL        **150-FN**

AN ACT            authorizing individuals and certain businesses to purchase health insurance from out-of-state insurance companies.

SPONSORS:        Sen. Bradley, Dist 3; Sen. Barnes, Jr., Dist 17; Sen. Boutin, Dist 16; Sen. Carson, Dist 14; Sen. De Blois, Dist 18; Sen. Forsythe, Dist 4; Sen. Gallus, Dist 1; Sen. Groen, Dist 6; Sen. Lambert, Dist 13; Sen. Luther, Dist 12; Sen. Morse, Dist 22; Sen. Odell, Dist 8; Sen. Prescott, Dist 23; Sen. Rausch, Dist 19; Sen. Sanborn, Dist 7; Sen. White, Dist 9

COMMITTEE:      Commerce

---

ANALYSIS

This bill authorizes individuals and certain businesses to purchase health insurance from out-of-state insurance companies. The bill grants rulemaking authority to the insurance commissioner for the purposes of the bill.

-----

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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

AN ACT authorizing individuals and certain businesses to purchase health insurance from out-of-state insurance companies.

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

1 1 New Chapter; Health Care Insurance From Out-of-State Insurance Companies. Amend RSA  
2 by inserting after chapter 404-H the following new chapter:

3 CHAPTER 404-I

4 HEALTH CARE INSURANCE FROM  
5 OUT-OF-STATE INSURANCE COMPANIES

6 404-I:1 Health Care Insurance Purchased From Out-of-State Insurance Companies Authorized;  
7 Plan Requirements.

8 I. In this chapter “commissioner” means the insurance commissioner.

9 II. An individual who is a resident of this state or an employer with under 100 employees  
10 may purchase health insurance from out-of-state health insurance carriers which are approved by  
11 the state where the carrier does business.

12 404-I:2 Rulemaking. The commissioner shall adopt rules, pursuant to RSA 541-A, relative to:

13 I. Form and content of applications for health insurance under this chapter.

14 II. Further definition of employer, if appropriate.

15 III. Procedures for resolution of disputes, including hearing procedures.

16 404-I:3 Applicability. This chapter shall not be construed to require the out-of-state insurers to  
17 offer or provide state-mandated health benefits required by New Hampshire law or rules in health  
18 insurance policies sold to New Hampshire residents.

19 404-I:4 Resolution of Disputes. Resolution of disputes between the insurer and the insured shall  
20 take place in New Hampshire in accordance with rules adopted by the commissioner under RSA 541-  
21 A.

22 2 Effective Date. This act shall take effect 60 days after its passage.

LBAO  
11-0458  
01/24/11

**SB 150-FN - FISCAL NOTE**

AN ACT authorizing individuals and certain businesses to purchase health insurance from out-of-state insurance companies.

**FISCAL IMPACT:**

The Insurance Department states this bill will decrease state general fund revenues by an indeterminable amount in FY 2012 and in each fiscal year thereafter. The Department further states this bill may increase county and local expenditures by indeterminable amounts in FY 2012 and in each fiscal year thereafter. This bill will have no fiscal impact on state expenditures or county and local revenues.

**METHODOLOGY:**

The Insurance Department states this bill authorizes individuals and certain employers to purchase health insurance from out-of-state companies not licensed in New Hampshire, but are licensed in other states, to do business in New Hampshire. The Department assumes it will be unable to collect a premium tax from out-of-state health insurance companies on premiums written in New Hampshire as there is no licensing requirement included in this bill. The Department states it is unable to estimate this bill's decrease on state premium tax revenues as it cannot predict the extent of New Hampshire purchasers procuring insurance from out-of-state non-licensed health insurance companies rather than health insurance companies licensed in New Hampshire, which would be subject to the premium tax.

The Insurance Department states there are various assessments levied on insurance carriers that are passed through to New Hampshire policyholders. The Department states this bill proposes to allow individuals to purchase insurance from carriers that would not be included in the assessment base, therefore driving up assessment rates on those licensed insurance companies included in the assessment base. The Department further states as a result, municipalities and counties that procure health insurance may see costs increase by an indeterminable amount.