

HB 390-FN - AS INTRODUCED

2015 SESSION

15-0472  
01/05

HOUSE BILL            **390-FN**

AN ACT                relative to stop loss insurance.

SPONSORS:            Rep. Butler, Carr 7; Rep. Hunt, Ches 11

COMMITTEE:          Commerce and Consumer Affairs

---

ANALYSIS

This bill adjusts the group size for purposes of stop loss insurance.

This bill is a request of the insurance department.

-----

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                                Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

HB 390-FN - AS INTRODUCED

15-0472  
01/05

STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Fifteen*

AN ACT                   relative to stop loss insurance.

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

1           1 Stop Loss Insurance; Group Size. Amend the introductory paragraph of RSA 415-H:3, I(b) to  
2 read as follows:

3                   (b) Has an annual aggregate attachment point, for groups of [~~50~~] **100** or fewer, that is  
4 lower than the greater of:

5           2 Stop Loss Insurance; Group Size. Amend RSA 415-H:3, I(c) to read as follows:

6                   (c) Has an annual aggregate attachment point for groups of [~~51~~] **101** or more that is  
7 lower than 110 percent of expected claims; or

8           3 Effective Date. This act shall take effect January 1, 2016.

LBAO  
15-0472  
01/15/15

### **HB 390-FN - FISCAL NOTE**

AN ACT                    relative to stop loss insurance.

#### **FISCAL IMPACT:**

The Insurance Department states this bill, **as introduced**, may increase state revenues by an indeterminable amount, and will have an indeterminable impact on county and local expenditures in FY 2016 and each year thereafter. There will be no fiscal impact on state expenditures or county and local revenue.

#### **METHODOLOGY:**

The Insurance Department states this bill changes the applicable employer size, from 51 to 101, to which certain standards apply for stop loss insurance. The proposed bill may cause employers with 51 to 100 employees to move from a self-funded plan to a fully insured plan, which may increase the number of fully insured plans. The Department states the per covered person taxable premium is greater for a fully insured plan than a self-funded plan. Therefore, this bill may increase the assessments to health insurers paying the insurance premium tax and increase state revenue. The Department reports the impact on county and local expenditures is indeterminable but some entities may need to switch from self-funded to a fully insured plan. The Department indicates this bill may lead some employers to assume more risk or pay more for coverage.