

HOUSE BILL NO. HB0007

Wyoming health insurance pool amendments.

Sponsored by: Joint Labor, Health & Social Services Interim
Committee

A BILL

for

1 AN ACT relating to insurance; extending the sunset date for
2 the Wyoming health insurance pool; clarifying the types of
3 health insurance to which the pool applies; amending and
4 repealing outdated provisions; amending the types of
5 conditions covered by the pool; amending pool eligibility;
6 removing maximum benefit limitations; amending premium rates;
7 amending the entities who provide coverage and benefit
8 related recommendations; and providing for an effective date.

9

10 *Be It Enacted by the Legislature of the State of Wyoming:*

11

12 **Section 1.** W.S. 26-43-101(a)(vi), (xi) and (xviii)(C),
13 26-43-102(d)(i) and (ii), 26-43-103(b)(iv), 26-43-106(a),
14 (b)(ii), (vi) and (c)(intro), 26-43-107(c) and 26-43-113 are
15 amended to read:

1

2 **26-43-101. Definitions.**

3

4 (a) As used in this act:

5

6 (vi) "Health insurance" means any public health
7 benefit plan, private health benefit plan, hospital and
8 medical expense incurred policy, Medicare supplement policy,
9 nonprofit health care service plan contract and health
10 maintenance organization subscriber contract. The term does
11 not include any hospital or medical service plan which by
12 contract or product design is intended to provide coverage
13 for six (6) months or less, fixed indemnity, limited benefit
14 or credit insurance, coverage issued as a supplement to
15 liability insurance, insurance arising from a workers'
16 compensation or similar law, automobile medical payment
17 insurance, or insurance under which benefits are payable with
18 or without regard to fault and which is statutorily required
19 to be contained in any liability insurance policy or
20 equivalent self-insurance;

21

22 (xi) "Insurer" means any insurance company
23 authorized to transact disability insurance business in this

1 state, Medicare supplement insurance issuer, health
2 maintenance organization or health service plan operation
3 under W.S. 26-22-301;

4

5 (xviii) "Federally defined eligible individual"
6 means an individual:

7

8 (C) Who is not eligible for coverage under a
9 group health plan, part A or part B of ~~title XVIII of the~~
10 ~~Social Security Act,~~ Medicare or Medicaid, and who does not
11 have other health insurance coverage;

12

13 **26-43-102. Operation of the pool; board membership;**
14 **board powers and duties.**

15

16 (d) The board shall:

17

18 (i) Select ~~the administrator within one hundred~~
19 ~~twenty (120) days of appointment of the board. If the~~
20 ~~administrator is not selected within one hundred twenty (120)~~
21 ~~days, the commissioner shall appoint~~ an administrator of the
22 pool;

23

1 (ii) Submit to the commissioner a plan of
2 operation for the pool and any amendments to the plan
3 necessary or suitable to assure the fair, reasonable and
4 equitable administration of the pool. The commissioner shall
5 approve the plan of operation after notice and hearing
6 provided the plan is determined suitable to assure the fair,
7 reasonable and equitable administration of the pool and
8 provides for the sharing of pool gains or losses on an
9 equitable proportionate basis. The plan of operation is
10 effective upon approval in writing by the commissioner. If
11 the board ~~fails to submit a suitable plan of operation within~~
12 ~~one hundred eighty (180) days after appointment of the board~~
13 ~~or~~ at any time thereafter fails to submit suitable amendments
14 to the plan, the commissioner shall adopt reasonable rules
15 after notice and hearing as necessary or advisable to
16 effectuate the provisions of this section. The rules shall
17 continue in force until modified by the commissioner or
18 superseded by a plan submitted by the board and approved by
19 the commissioner;

20

21 **26-43-103. Eligibility.**

22

1 (b) The following persons are not eligible for pool
2 coverage:

3
4 (iv) For pool coverage, ~~other than coverage under~~
5 ~~the alternative plan provided by the pool,~~ any person on whose
6 behalf the pool has paid two hundred fifty thousand dollars
7 (\$250,000.00) in benefits. ~~For coverage under the alternative~~
8 ~~plan provided by the pool, any person on whose behalf the~~
9 ~~pool has paid five hundred thousand dollars (\$500,000.00) in~~
10 ~~benefits or a greater amount if required to meet the~~
11 ~~definition of a comprehensive level of benefits under federal~~
12 ~~regulation.~~ The board shall adjust these amounts annually to
13 reflect the effects of inflation. The adjustment shall not
14 be less than the annual change in the medical component of
15 the "Consumer Price Index for All Urban Consumers" of the
16 department of labor, bureau of statistics, unless the board
17 proposes and the commissioner approves a lower adjustment
18 factor;

19
20 **26-43-106. Minimum benefits; limitations.**

21
22 (a) ~~Major medical expense~~ Pool coverage shall be
23 offered to eligible persons subject to the termination and

1 disenrollment provisions of W.S. 26-43-103(e). The
2 commissioner shall establish by rule and regulation the pool
3 coverage, its schedule of benefits, exclusions and other
4 limitations consistent with this act and taking into
5 consideration the advice and recommendations of the board and
6 the health benefits plan committee created pursuant to W.S.
7 26-2-132. The commissioner and the board annually shall
8 review the pool coverage, its schedule of benefits,
9 exclusions and limitations and make changes to reflect the
10 levels of health insurance coverage provided in this state.

11

12 (b) In establishing the pool coverage, the commissioner
13 shall:

14

15 (ii) Promulgate benefit levels, deductibles,
16 coinsurance factors, exclusions and limitations determined to
17 be generally reflective of and commensurate with health
18 insurance plans marketed in the state and required by this
19 act. ~~The commissioner shall also establish benefit levels,
20 deductibles, coinsurance factors, exclusions and limitations
21 for alternative plan coverage under the pool meeting the
22 requirements of this act and the requirements for an
23 acceptable alternative mechanism under section 2744 of the~~

1 ~~federal Public Health Service Act as defined in P.L. 104-191.~~
2 ~~For both categories of coverage,~~ The commissioner shall offer
3 at least two (2) plans that may include a higher deductible
4 option or a health savings account option in order to provide
5 less expensive coverage alternatives for pool participants;

6
7 (vi) Offer for those individuals described in W.S.
8 26-43-103(d) a catastrophic health plan having a deductible
9 level of twenty-five thousand dollars (\$25,000.00), subject
10 to the termination and disenrollment provisions of W.S.
11 26-43-103(e).

12
13 (c) Pool coverage, ~~except for coverage under the~~
14 ~~alternative plan~~ shall not include medical costs associated
15 with:

16
17 **26-43-107. Premiums; standard risk rate.**

18
19 (c) Initial rates for pool coverage in the first year
20 coverage is provided pursuant to this act shall not be less
21 than one hundred fifty percent (150%) of rates established as
22 applicable for individual standard risks. Subsequent rates
23 may provide for the expected costs of claims including

1 recovery of prior losses, expenses of operation, investment
2 income of claim reserves, and any other costs factors subject
3 to the limitations provided by this subsection. Beginning
4 July 1, 2007, except as provided in subsection (e) of this
5 section, there shall be two (2) levels of eligibility. Level
6 one (1) eligibility applies to persons with income equal to
7 or greater than two hundred fifty percent (250%) of the
8 federal poverty guideline. Level two (2) eligibility applies
9 to persons with income below two hundred fifty percent (250%)
10 of the federal poverty guideline. Premium rates for level
11 one (1) eligibility shall be set at one hundred fifty percent
12 (150%) to ~~two hundred percent (200%)~~ two hundred five percent
13 (205%) of rates applicable to individual standard risks.
14 Premium rates for level two (2) eligibility shall be set at
15 one hundred percent (100%) to ~~one hundred thirty-five percent~~
16 ~~(135%)~~ one hundred forty percent (140%) of rates applicable
17 to individual standard risks. All rates and rate schedules
18 shall be submitted to the commissioner for approval. The
19 rates shall be set as close as practical to the lower end of
20 the range provided. ~~For the period July 1, 2013 through June~~
21 ~~30, 2015, premium rates shall be as provided in subsection~~
22 ~~(e) of this section.~~

23

1 **26-43-113. Termination of provisions.**

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3 This act is not effective after June 30, ~~2020~~2030.

4

5 **Section 2.** W.S. 26-43-101(a)(xvi), 26-43-102(d)(vii)
6 and (f)(v), 26-43-103(c), 26-43-106(c)(i) and (d) and
7 26-43-107(e) are repealed.

8

9 **Section 3.** This act is effective immediately upon
10 completion of all acts necessary for a bill to become law as
11 provided by Article 4, Section 8 of the Wyoming Constitution.

12

13

(END)