



# Ohio Legislative Service Commission

## Bill Analysis

Dan Baeder

### H.B. 172

129th General Assembly  
(As Introduced)

**Reps.** R. Hagan, Foley, Ramos, Okey, Ashford, Williams, Letson, Antonio

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## BILL SUMMARY

- Requires the Superintendent of Insurance to create an Internet database on the web site of the Department of Insurance in order to post publicly the contractual periodic prepayment and premium rates of health insurers within three days of those rates being filed with the Superintendent.

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## CONTENT AND OPERATION

The bill requires the Superintendent of Insurance to create a database for the purpose of posting contractual periodic prepayment and premium rates of health care plans that have been filed with the Superintendent in accordance with current law.<sup>1</sup> The database is to be located on the web site for the Department of Insurance and the bill requires the database to be accessible from the homepage of the Department's web site via a prominent link. The bill provides that the database be organized by the name of the insurer, the type of policy being offered, the premium rates for each policy offered by each insurer, and by the date that the premium rates were filed with the Superintendent. The bill provides that if the Superintendent uses a searchable database, the Superintendent must include search instructions and explanatory material in plain language on the database web site.<sup>2</sup> Current law defines "contractual periodic prepayment" to mean the formula for determining the premium rate for all subscribers of a health insuring corporation, and "premium rate" to be any set fee regularly paid by a subscriber of a health insuring corporation.<sup>3</sup>

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<sup>1</sup> R.C. 1751.12 and 3923.02.

<sup>2</sup> R.C. 3923.02.

<sup>3</sup> R.C. 1751.01 (not in the bill).

The bill requires that the Superintendent post the premium rates filed with the Superintendent's office to the database within three days of their receipt.<sup>4</sup> It is unclear as to when the Superintendent must remove rates that are rejected from the database or update the database to reflect changes to premium rates for existing policies.

Current law requires generally that every health insuring corporation wishing to offer health insurance in Ohio submit the contractual periodic prepayment and premium rates for each policy that the insurer wishes to offer to the Superintendent of Insurance. The Superintendent reviews these rates within a defined period of time after filing in order to determine if the contractual periodic prepayment or premium rate is reasonable considering the benefits offered by the plan and the individuals most likely to subscribe to such a plan. If the rates are agreeable, the Superintendent approves the plan for sale in Ohio. All approvals are accompanied by a certification that the contractual periodic prepayment and premium rates are calculated in accordance with sound actuarial principles.<sup>5</sup>

Certain policies are exempt from the requirement to file premium rates with the Superintendent under current law, and therefore rates for these policies would not be posted to the online database created pursuant to the bill. These policies include coverage of beneficiaries enrolled in certain Medicare plans, the Federal Employees Health Benefits Program, policies used for the coverage of Medicaid recipients, any other federal health care program, and any health care plan covering officers and employees of the State, if certain conditions apply.<sup>6</sup>

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## HISTORY

ACTION	DATE
Introduced	03-23-11

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<sup>4</sup> R.C. 1751.12(A)(5) and 3923.02.

<sup>5</sup> R.C. 1751.12(A).

<sup>6</sup> R.C. 1751.12(B).