



Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: [Sub. S.B. 9 of the 130th G.A.](#)

Date: May 9, 2013

Status: As Reported by House Insurance

Sponsor: Sen. Bacon

Local Impact Statement Procedure Required: No

Contents: To make changes to the procedure for submission and review of a health insuring corporation's solicitation document, and to suspend the enforcement of the Ohio Open Enrollment Program, the Ohio Health Reinsurance Program, and the option for conversion of a health insurance contract or policy under certain circumstances during the period beginning January 1, 2014, and expiring January 1, 2018

State Fiscal Highlights

- No direct fiscal effect on the state.

Local Fiscal Highlights

- No direct fiscal effect on local governments.

Detailed Fiscal Analysis

Health insuring corporation's solicitation document

The bill revises the procedure for submission and review of changes to a health insuring corporation's (HIC) solicitation document. The bill requires an HIC to submit any changes to its solicitation document to the Superintendent of Insurance at least 30 days prior to use. The bill removes a 60-day time limit in current law during which the Superintendent may disapprove any solicitation document, if the Superintendent finds that the document fails to comply with the requirements under current law or this bill.

Suspends Ohio's Open Enrollment Program, Health Reinsurance Program, and option for conversion of a health policy contract

The bill would suspend Ohio's Open Enrollment Program, Health Reinsurance Program, and option for conversion of a health policy contract during the period beginning on January 1, 2014, and expiring January 1, 2018. The bill specifies that carriers are not required to offer open enrollment coverage under the Ohio Open Enrollment Program on or after January 1, 2014, and that carriers must not reinsure any insurance policies with the Ohio Health Reinsurance Program during the suspension of the Reinsurance Program on or after January 1, 2014. The bill provides that the Board of Directors of the Ohio Health Reinsurance Program is allowed to continue to have all of its current authority and protection during the period beginning January 1, 2014, and ending December 31, 2014, in order to wind up the affairs of the Ohio Health Reinsurance Program.

The bill also provides that, on or after January 1, 2014, a carrier may terminate an open enrollment or conversion policy or contract issued prior to January 1, 2014, if the carrier provides a notice of termination to the policyholder at the time the policy is issued or at least 90 days prior to the termination and offers the policyholder the option to purchase other coverage offered by the insurer to be effective at the time of the termination. The bill also specifies that if the amendments made by 42 U.S.C. 300gg-1 and 300gg-6, regarding the requirements related to health insurance coverage, do not take effect January 1, 2014, or become ineffective prior to the expiration of the suspension on January 1, 2018, then again those programs become operational.

Fiscal effect

According to an official at the Department of Insurance, the bill would have no direct fiscal impact on the Department's expenditures. The bill would also have no direct fiscal impact on local governments.