

**SB**

**178**

**SFIN**

**FILE**

# SENATE FINANCE COMMITTEE REPORT

DATE: 1/10/96

FURTHER:

Date of 5-Day Notice: 2-1-96  
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 2-9-96

The Finance Committee considered SB 178

Small employer health insurance.

and recommends:

- be replaced with \_\_\_\_\_ CS \_\_\_\_\_
- adopt previous \_\_\_\_\_ CS \_\_\_\_\_
- attached amendment(s)
- adopt Letter of Intent by \_\_\_\_\_ Committee
- further referral to the \_\_\_\_\_ Committee

Senate Bill:  same title  
 new title  
 House Bill:  same title  
 technical change  
 new: SCR# \_\_\_\_\_

| SIGNING DO PASS                | DP | OTHER RECOMMENDATIONS  | NR | DNP | AM |
|--------------------------------|----|------------------------|----|-----|----|
| <i>Steve Kiser</i>             | ✓  | <i>James W. Donley</i> | ✓  |     |    |
| <i>Paul E. [unclear]</i>       | ✓  | <i>Paul F. Zandt</i>   | ✓  |     |    |
| <i>Don [unclear]</i>           | ✓  |                        |    |     |    |
|                                |    |                        |    |     |    |
| Co-Chair: <i>[Signature]</i>   | ✓  | Co-Chair:              |    |     |    |
| Co-Chair: <i>Keith Harford</i> |    | Co-Chair:              | ✓  |     |    |

**NEW FISCAL NOTE(S):**

Department                      Date    Zero    Fiscal

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**PREVIOUS FISCAL NOTE(S):\***

Department                      Date    Zero    Fiscal

|                |               |          |  |
|----------------|---------------|----------|--|
| <i>DELETED</i> | <i>1/4/96</i> | <i>0</i> |  |
|                |               |          |  |
|                |               |          |  |
|                |               |          |  |
|                |               |          |  |

APPROPRIATION -- no fiscal note

\*Include fiscal notes accompanying Governor's bill

# FISCAL NOTE

No. 1  
 Bill Version: SB 178  
 (S) Publish Date: 1/10/96

STATE OF ALASKA  
 1996 LEGISLATIVE SESSION

Revision Date: \_\_\_\_\_ Department: Commerce and Economic Development  
 Title: Small Employer Health Insurance BRU: Insurance  
 Component: Operations  
 Sponsor: Senator Rieger  
 Requestor: Labor & Commerce Committee COMPONENT SERIAL NO. #354

Expenditures/Revenues (Thousands of Dollars)

| OPERATING EXPENDITURES | FY 97     | FY 98     | FY 99     | FY 00     | FY 01     | FY 02     |
|------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| PERSONAL SERVICES      |           |           |           |           |           |           |
| TRAVEL                 |           |           |           |           |           |           |
| CONTRACTUAL            |           |           |           |           |           |           |
| SUPPLIES               |           |           |           |           |           |           |
| EQUIPMENT              |           |           |           |           |           |           |
| LAND & STRUCTURES      |           |           |           |           |           |           |
| GRANTS, CLAIMS         |           |           |           |           |           |           |
| MISCELLANEOUS          |           |           |           |           |           |           |
| <b>TOTAL OPERATING</b> | <b>00</b> | <b>00</b> | <b>00</b> | <b>00</b> | <b>00</b> | <b>00</b> |

|                      |  |  |  |  |  |  |
|----------------------|--|--|--|--|--|--|
| CAPITAL EXPENDITURES |  |  |  |  |  |  |
|----------------------|--|--|--|--|--|--|

|                    |  |  |  |  |  |  |
|--------------------|--|--|--|--|--|--|
| CHANGE IN REVENUES |  |  |  |  |  |  |
|--------------------|--|--|--|--|--|--|

FUND SOURCE (Thousands of Dollars)

|                          |           |           |           |           |           |           |
|--------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| 1002 Federal Receipts    |           |           |           |           |           |           |
| 1003 GF Match            |           |           |           |           |           |           |
| 1004 General Fund        |           |           |           |           |           |           |
| 1005 GF/Program Receipts |           |           |           |           |           |           |
| 1006 GF/MHTA             |           |           |           |           |           |           |
| Other                    |           |           |           |           |           |           |
| <b>TOTAL</b>             | <b>00</b> | <b>00</b> | <b>00</b> | <b>00</b> | <b>00</b> | <b>00</b> |

Estimate of any current year (FY 96) cost: \$ 00

POSITIONS

|           |   |   |   |   |   |   |
|-----------|---|---|---|---|---|---|
| FULL-TIME | 0 | 0 | 0 | 0 | 0 | 0 |
| PART-TIME |   |   |   |   |   |   |
| TEMPORARY |   |   |   |   |   |   |

ANALYSIS: (Attach a separate page if necessary)  
 No fiscal impact.

Prepared by: Joan Brown, Administrative Officer Phone: 465-2597  
 Division: Insurance Date: 1/4/96  
 Approved by Commissioner: William L. Hensley Date: \_\_\_\_\_  
 Agency: Commerce and Economic Development

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# FISCAL NOTE

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

BILL NO. SB 178

Revision Date: \_\_\_\_\_ Department: Commerce and Economic Development  
 Title: Small Employer Health Insurance BRU: Insurance  
 Component: Operations  
 Sponsor: Senator Rieger  
 Requestor: Labor & Commerce Committee COMPONENT SERIAL NO. #354

Expenditures/Revenues (Thousands of Dollars)

| OPERATING EXPENDITURES | FY 97     | FY 98     | FY 99     | FY 00     | FY 01     | FY 02     |
|------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| PERSONAL SERVICES      |           |           |           |           |           |           |
| TRAVEL                 |           |           |           |           |           |           |
| CONTRACTUAL            |           |           |           |           |           |           |
| SUPPLIES               |           |           |           |           |           |           |
| EQUIPMENT              |           |           |           |           |           |           |
| LAND & STRUCTURES      |           |           |           |           |           |           |
| GRANTS, CLAIMS         |           |           |           |           |           |           |
| MISCELLANEOUS          |           |           |           |           |           |           |
| <b>TOTAL OPERATING</b> | <b>00</b> | <b>00</b> | <b>00</b> | <b>00</b> | <b>00</b> | <b>00</b> |

|                      |  |  |  |  |  |  |
|----------------------|--|--|--|--|--|--|
| CAPITAL EXPENDITURES |  |  |  |  |  |  |
|----------------------|--|--|--|--|--|--|

|                    |  |  |  |  |  |  |
|--------------------|--|--|--|--|--|--|
| CHANGE IN REVENUES |  |  |  |  |  |  |
|--------------------|--|--|--|--|--|--|

FUND SOURCE (Thousands of Dollars)

|                          |           |           |           |           |           |           |
|--------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| 1002 Federal Receipts    |           |           |           |           |           |           |
| 1003 GF Match            |           |           |           |           |           |           |
| 1004 General Fund        |           |           |           |           |           |           |
| 1005 GF/Program Receipts |           |           |           |           |           |           |
| 1006 GF/MHTIA            |           |           |           |           |           |           |
| Other                    |           |           |           |           |           |           |
| <b>TOTAL</b>             | <b>00</b> | <b>00</b> | <b>00</b> | <b>00</b> | <b>00</b> | <b>00</b> |

Estimate of any current year (FY 96) cost: \$ 00

**POSITIONS**

|           |   |   |   |   |   |   |
|-----------|---|---|---|---|---|---|
| FULL-TIME | 0 | 0 | 0 | 0 | 0 | 0 |
| PART-TIME |   |   |   |   |   |   |
| TEMPORARY |   |   |   |   |   |   |

**ANALYSIS:** (Attach a separate page if necessary)  
 No fiscal impact.

Prepared by: Joan Brown, Administrative Officer *JTB* Phone: 465-2597  
 Division: Insurance Date: 1/4/96  
 Approved by Commissioner: William L. Mansley *WLM* Date: \_\_\_\_\_  
 Agency: Commerce and Economic Development

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# Alaska State Senate

JAN 10 1996

SENATOR STEVE RIEGER  
District I

*During Session*  
State Capitol, Room 516  
Juneau, Alaska 99801  
(907) 465-3879

Senate Finance Committee  
Chair, Senate Transportation Committee

716 West 4th Avenue, Suite 530  
Anchorage, Alaska 99501  
(907) 258-9188

Legislative Budget and Audit Committee  
Administrative Regulation Review Committee  
Legislative Council

## MEMORANDUM

January 10, 1996

TO: Senator Rick Halford, Co-Chair  
Senator Steve Frank, Co-Chair  
Senate Finance Committee

FROM: Senator Steve Rieger *SR*  
Senate District I

RE: Hearing request for SB 178 "An Act relating to small employer health insurance."

I respectfully request a hearing for SB 178 which was heard and passed out of Senate Labor and Commerce on January 9, 1996.

I have enclosed a sponsor statement and packet of information on SB 178 for Finance members. The bill has one zero fiscal note from the Department of Commerce and Economic Development. If you have any questions on this legislation, please contact me or Betty Hargrave on my staff.

Thank you.

Enclosures

# Alaska State Senate

**SENATOR STEVE RIEGER**

District 1

Senate Finance Committee  
Chair, Senate Transportation Committee

Legislative Budget and Audit Committee  
Administrative Regulation Review Committee  
Legislative Council

*During Session*  
State Capitol, Room 510  
Juneau, Alaska 99801  
(907) 685-1579

716 West 4th Avenue, Suite 530  
Anchorage, Alaska 99501  
(907) 258-8188

## **Sponsor Statement**

### **SB 178 "An Act relating to small employer health insurance."**

In 1993, I sponsored legislation that created an association of insurers who transact health insurance in the state and required those insurers to join the association as a condition of doing business in Alaska. That legislation allowed a member of the association to reinsure health coverage of a small employer and required a small employer insurer to offer small employers at least two health benefit plans. This legislation passed the legislature and became Chapter 39 SLA 1993.

SB 178 amends the 1993 legislation by changing the definition of "small employer" to include those that employ 2 - 50 individuals. This is an increase from the earlier definition of 2 - 25 employees. This change is supported by the National Association of Life Underwriters, Association of Health Insurance Agents, the Southern Alaska Life Underwriters and the Health Insurance Association of America.

A L A S K A



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## National Federation of Independent Business

### Statement of Support

#### of SB 178

**Expanding the small employer health insurance program to include companies with 26 to 50 employees.**

**February 5, 1996**

The Alaska Chapter of the National Federation of Independent Business has 4,500 members, making it the largest small-business advocacy group in the state

In 1993 NFIB/Alaska lobbied strongly in favor of legislation to create the small business health insurance program for businesses with 2 to 25 employees. The majority of our membership supports expanding this program for companies of up to 50 employees

Prior to the creation of this program there was limited health insurance available for small employers. In some cases it was impossible to get insurance if even one employee was considered a high risk. Now the insurance companies cannot reject any group or individual. If necessary, individual employees with health problems can be covered through a high risk pool called a reinsurance association. The state required insurers to form the reinsurance association in order to offer high risk insurance and to allow the risk to be spread among all insurers in the market.

NFIB/Alaska supports expanding this important program to companies with up to 50 employees.

NFIB/Alaska urges support for SB 178

Submitted by Thyres Shaub on behalf of NFIB/Alaska

**BALDWIN FINANCIAL CONCEPTS**

2525 Blucherly Rd., Suite 107 • Anchorage, Alaska 99503 • (907) 276-4849

January 4, 1996

Senator Steve Rieger  
Senate Finance Committee  
716 West 4th Avenue, Suite 530  
Anchorage, AK 99501

Dear Senator Rieger:

I would like you to support SB178 "An act relating to small employer health insurance" which would expand the definition of a small employer to 50 eligible employees. As a health insurance broker I have found that some groups over 25 with medical problems may be declined for coverage. These employers may not be able to secure coverage for their entire group. Underwriting is normally not a problem for groups of over 50 employees due to the capacity to spread adverse risk.

In addition, many organizations I belong to also support expansion of the definition to 50 employees as well. These organizations include the National Association of Life Underwriters, Association of Health Insurance Agents, and the Southern Alaska Life Underwriters.

It is my understanding that a majority of States have adopted legislation to define a small group as over 25 employees.

Thank you for your consideration on this important matter.

Sincerely,

Eric J. "Rick" Johnson  
Employee Benefits Specialist

LICENSED LIFE and HEALTH AGENTS  
OFFERING INSURANCE and OTHER FINANCIAL PRODUCTS

Lincoln Financial Group, Inc.  
Suite B  
8300 Briarwood  
Anchorage, AK 99518-3331

Tel (907) 522-1194  
Tel. (800) 478-1194  
Fax (907) 522-3415  
Res. (907) 345-5746

David L. Stratton, C.I.U. ChFC  
Managing General Agent



## LINCOLN FINANCIAL GROUP

01-04-96

Senator Steve Rieger  
Juneau, Ak

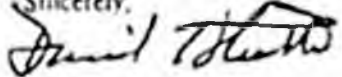
Fax 1-907-465-2069

Re: SB-178

Dear Senator Rieger,

I and my company are in support of changing the definition of small employer to include those groups of 2-50 lives. We have come across a number of cases that this would have helped on in the last year. We feel that anything that can be done to broaden the number of covered groups in Alaska will be beneficial to the overall health of the state.

Please feel free to contact my office with any questions you or your staff may have.

Sincerely,  
  
David L. Stratton

Registered representative of, and securities offered through, Lincoln National Life Insurance Co (member NASD), and LNC Equity Sales Corp. (member NASD, SIPC)

Branch office: 1100 South Clifton, P.O. Box 1110, Fort Wayne, IN 46801-1110 Tel: (317) 433-2000

Lincoln Financial Group, Inc. is an affiliate of Lincoln National Life Insurance Co

**S·A·L·U**

Southern Alaska Life Underwriters Association • P.O. Box 10-3956 • Anchorage, Alaska 99512-3956

Senator Steve Rieger  
Senate Finance Committee  
716 W. 4th Ave. #530  
Anchorage, AK 99501

January 4, 1996

Dear Senator Rieger:

I am writing in support of Senate Bill 178 which proposes to include groups of 25-50 employees in small group reform. I am strongly in favor of this modification in the definition of small group because it would increase the availability of health coverage both to small employers and the consumer.

Southern Alaska Life Underwriters, the trade association of professional insurance agents of which I'm president, also endorses this modification. The support of this reform is also favored by the National Association of Life Underwriters and the Association of Health Insurance Agents, groups of which I am a member.

I urge you to vote in favor of S.B. 178 when it appears on the Senate Floor.

Thank you,



Beverly S. Lukchart, CLU, ChFC  
President, Southern Alaska Life Underwriters



# HAGEN INSURANCE

810 East 36th Avenue  
P.O. Box 240326  
Anchorage, Alaska 99524-0326  
907-561-8040 Fax 907-561-8041

January 5, 1996

Hon. Steve Rieger  
State Capitol Building  
Juneau, AK 99801

RE: SB178

Dear Senator Rieger:

I am writing in my role as Chair of the Health Insurance Committee of the Southern Alaska Life Underwriters.

Our organization was instrumental in gaining support for the original small group reform bill. We feel that the original legislation is working and that its benefits should be expanded to groups of up to fifty employees.

These groups face many of the premium and underwriting pressures previously faced by smaller groups. Senate Bill 178 will bring them the same aid.

Sincerely,

Robert F. Hagen

---

**DAVID FRAZIER & ASSOCIATES INC.**

1600 A Street, Suite Number 300

Anchorage, Alaska 99501

Phone (907) 258-1169

Fax (907) 258-3638

---

**MEMORANDUM**

DATE: January 8, 1996  
TO: Honorable Steve Reiger  
FROM: David Frazier  
RE: Senate Bill 178

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I'm an independent insurance broker that specializes in group coverage. My clients and I are interested in seeing that the subject statute change takes place. Although this seems to be an insignificant issue, there are many small employers out there that have group insurance problems that would be resolved by passage of this bill. This will make it a lot easier for employers that have between 26 and 50 employees to obtain group health insurance that is affordably priced for their people and family members.

CCL &amp; C Members

Sb178

# Pension Services Ltd.

1205 EAST INTERNATIONAL AIRPORT ROAD, SUITE 205, ANCHORAGE, ALASKA 99518  
PHONE: 907-562-3938 • FAX: 907-562-1368

## MEMO

To: Senator Steve Rieger  
From: Al Tamagni, Sr.  
Date: January 9, 1996  
Subject: Senate Bill 178

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I am writing in regards to Senate Bill 178, an Act related to small employers' health insurance.

I strongly support the Bill as drafted. It would provide services to small employers in the Alaska market.

*Thank you*  
*al*

|   |                      |            |                 |
|---|----------------------|------------|-----------------|
| Post-it® brand fax transmittal memo 707 |                      | # of pages | 1               |
| To                                      | Senator Steve Rieger | From       | Al Tamagni, Sr. |
| Co                                      |                      | On         |                 |
| Phone                                   | 907-562-3938         | Fax #      | 907-562-1368    |
| Fax #                                   | 907-562-3938         | Phone #    | 907-562-1368    |

**HIAA**

Health Insurance Association of America

# **SMALL GROUP ENACTMENTS**

STATE  
COMPARATIVE  
CHART

MAY 1995

State Affairs/Legal

Chris Petersen,  
Vice President of State Affairs/Legal  
Gregory Barranco, Legislative Analyst  
202/223-7780

# HIAA

Health Insurance Association of America

## SMALL EMPLOYER ENACTMENTS

|                        | ALASKA  | ARIZONA  |
|------------------------|---|--|
| Availability           | Guaranteed issue. Director may promulgate regulations to require insurers after July 1, 1993 to reissue plans that small employers had terminated after January 1, 1993. §21.56.190 (1993 SB 173)   | Guaranteed offer of basic plan (beginning 7/1/96 group size is 25-40, beginning 7/1/96 group size is 3-40 lives) §20-2304-A  |
| Group Size             | 2-25 §21.56.250(23)   | 3-40 §20-2301(10)  |
| Individual Policies    | Individual policies sold to small employers meeting certain requirements are subject to this Act. §21.56.110  | Does not apply to any policy that is issued on an individual basis. §20-2302(B) May request health screening and underwriting information to be used to set rates, but not to deny coverage. §20-2306-0  |
| Case Characteristics   | Age, sex, industry, geographic area, family composition and group size. Others need director approval. May not use claim experience, health status, and duration of coverage. §21.56.120  | Does not include claims experience, health status, industry or duration of coverage. §20-2301(2)   |
| Rating Restrictions    | Premium rates for small employer plans with similar case characteristics for similar coverage may not vary from the index rate by more than 35%. §21.56.120   | Premium rates may not vary by more than 60% from the index rate for plans with similar coverage, family size and composition and geographic area. Plans making adjustments for demographic characteristics shall apply them consistently across all employers. Prohibits using geographic areas smaller than a county or an area that includes all areas in which the first three digits of the zip code are identical, whichever is smaller. §20-2311 |
| Transitional Period    | 3 years §21.56.120 amended by §10   |  |
| Renewal Rating         | Trend plus 15% plus changes in case characteristics. §21.56.120   | Trend plus 15% plus any adjustment in case characteristics. §20-2311(C)  |
| Renewability           | Guaranteed renewable except "for cause." §21.56.130   | Guaranteed renewable except "for cause" §20-2309   |
| Whole Groups           | Must cover whole group. §21.56.150(6)   | Carriers are required to take the whole group, no regard given to health status or insurability. §20-2307, 2308  |
| Continuity of Coverage | Preexisting condition limitation of 12 months relating to conditions 6 months before coverage. Waiting periods must be waived for the period of time an individual was previously covered if that coverage was continuous 90 days before effective date of new coverage. The period of continuous coverage may not include a waiting period for the effective date of coverage applied. §21.56.150(2) | Preexisting condition limitation of 12 months; credit of one month for each month of continuous coverage for 60 days under another plan prior to new coverage. §20-2310 Plans that provide open enrollment periods of at least 30 days may require up to one year waiting period for late enrollees. §20-2307.   |
| Reinsurance Type       | Prospective, membership condition of doing health insurance business. §21.56.010  | Prospective/with opt out §20-2345  |
| Reinsurance Price      | Whole Groups: 100%<br>Individuals: 50% §21.56.010   | Whole groups: 100%<br>Individuals: 50% §20-2350  |
| Cost Sharing           | Association may not reimburse a reimbursing insurer until insurer has paid an initial level of \$5,000 per year. §21.56.010   | \$5,000 plus 10% of the next \$50,000 and a cap of \$10,000 per year. §20-2349   |
| Assessments            | Board shall determine. Insureds may not have an assessment share less than 50% or more than 100% of the proportion of total premium earned the preceding year from small group plans. Assessments above 5% of total premium will be evaluated §21.56.010  | Board shall determine. §20-2351  |
| Other                  | Repealer on 7/1/96 §12<br>Prohibits cost shifting of the program to other insureds or the state. §21.56.040   | All insurers must be licensed as "guaranteed issue health plans" by 7/1/96. Delivery of all health benefits through preferred provider networks required to be phased in beginning 1996. §20-2305  |

|                        | ARKANSAS  | CALIFORNIA   |
|------------------------|---|--|
| Availability           |   | Guaranteed issue of small employer products (group size 5-50 by 7/1/93; 4-50 by 7/1/95) (1192 HB 1672)   |
| Group Size             | 1-25 §23-86-202   | 3-50 (by 7/1/95) §10700(x)   |
| Individual Policies    | Does not apply to individual policies which are subject to policy form and premium rate approval. §23-86-203  | Individual policies sold to small employers meeting certain requirements are subject to this Act. §10702   |
| Case Characteristics   | Relevant demographics of small employer as considered by carrier in determination of premiums. Claims experience, health status, and duration of coverage are not case characteristics. §23-86-202  | Includes age (7 categories), geography (9 regions), family composition (4 categories), and plan design which are used to determine the standard employee risk rate. §10700(w)  |
| Rating Restrictions    | Index rate for one class of business shall not exceed the index rate for any other class of business by more than 20%. §2204(a). For a class of business, the premium rates charged small employers with similar case characteristics shall not vary from the index rate by more than 25%. §23-86-204 | Premium rates may not vary from the standard employee risk rate by more than 120% nor less than 80% until July 1, 1996; effective July 1, 1996, premium rates may not vary from the standard employee risk rate by more than 110% nor less than 90%. §10700(v), 10714  |
| Transitional Period    | 5 years §23-86-204  | See above  |
| Renewal Rating         | Trend plus 15% plus changes in case characteristics. §23-86-204   | 10% permitted for risk adjustment factors; renewal rates are effective for at least six months. §10714(b)(2)   |
| Renewability           | Guaranteed renewable except "for cause." §23-86-205   | Guaranteed renewable except "for cause" §10705(b), 10713   |
| Whole Groups           |   | Carriers are required to take the whole group. §10707  |
| Continuity of Coverage |   | Preexisting condition limitation of 6 months; credit shall be given if a person was covered under qualifying previous coverage if previous coverage was continuous 30 days prior to the new coverage, exclusive of applicable waiting periods; if employment is terminated or employer's contribution toward the coverage has terminated, there is a 180-day period allowed for continuity of coverage. §10706, 10708(a,b), 10709(a); §10198.7 |
| Reinsurance Type       |   | Prospective/with opt out §10719, 10720(d)  |
| Reinsurance Price      |   | No provision   |
| Cost Sharing           |   | No provision   |
| Assessments            |   | No cap §10721  |
| Other                  |   | Establishes a purchasing pool for small employers §10730<br>Guaranty Association - only need one member  |
| Effective Date         | January 1, 1992   | July 1, 1993, but see phase-in effective dates above   |

|                        | COLORADO  | CONNECTICUT   |
|------------------------|---|---|
| Availability           | Guaranteed issue for standard and basic plans (HB 94-1210) §10-16-108.5   | Guaranteed issue §38a-552, 5682(b) (*1992 SB 419 changes)   |
| Group Size             | 1-50 §10-16-107 (6)   | 1-50 §38a-564(4) (1-25 for rating restrictions until July 1, 1995)  |
| Individual Policies    | Does not apply to individual policies. §10-8-101(6)   | Insurers may issue individual special health care plans subject to the laws applicable to individual health insurance, provided such policies shall be identical to individual special health care plans made available by the Health Reinsurance Association. §38a-552, 566  |
| Case Characteristics   | After Jan. 1, 1995 characteristics are limited to age bands (dependent children up to 19 years or 24 if a student; adults in five year intervals), geography, family size. Does not include claim experience, health status and duration of coverage. § 10-6-102 (10)   | Appears to include everything except claims experience, duration of coverage and health status. §38a-564(27)  |
| Rating Restrictions    | Rates based on a single, same index rate, adjusted for case characteristics and coverage; Rate adjustment factors based on claims experience; between 1/1/95 and 1/1/97 adjustment factor must be between 0.8 and 1.20. Before 1/1/95 adjustment factor cannot be more than previous year's factor plus 10%. After 1/1/98 no adjustment factor. §10-16-105(8) | Premium rates may not exceed 200% of the base premium rate for the same or similar case characteristics for plans issued on or after 7/1/90 and prior to 10/1/92 and beginning 7/1/95 plans issued prior to 7/1/90. Rates may not exceed 150% of the base premium rate for plans issued on or after 10/1/92, and beginning 10/1/97, plans issued prior to 10/1/92.* §38a-567(5)           |
| Transitional Period    |   | 5 years; after July 1, 1995, rating restrictions will be applied to plans issued prior to July 1, 1990 §38a-567(5)  |
| Renewal Rating         | Policies issued before 1/1/95 and renewed after 1/1/96 factor between 0.8 and 1.20; After 1/1/97 factor between 0.90 and 1.10. §10-16-105(8)  | Trend plus 15% plus changes in case characteristics.* §38a-567(5)   |
| Renewability           | Guaranteed renewable except "for cause." §10-8-116.5  | Guaranteed renewable except "for cause" §38a-567(3)   |
| Whole Groups           | Carriers are required to take all eligible employees of the group. §10-16-105(7.5)  | Cannot exclude eligible employees or dependents on the basis of an actual or expected health condition §38a-567(4)  |
| Continuity of Coverage | Preexisting condition limitation of six months; May exclude preexisting condition for 12 months. Waiting period not greater than ninety days may be used in lieu of preex limitations. Late enrollees may be excluded for up to 12 months; preexisting condition exclusion up to 18 months §10-16-116   | Preexisting condition limitation of 12 months; credit shall be given if a person was covered under qualifying previous coverage if previous coverage was continuous 30 days prior to the new coverage, exclusive of applicable waiting periods, except a carrier may limit the credit for a person enrolled commencing before 8/1/92 to prior coverage as a resident of Ct. §38a-567(1,2) |
| Reinsurance Type       | Formula and reinsurance rates to be determined by Board, approved by commissioner. §10-8-605  | Prospective/mandatory (effective 5/1/91) §38a-569   |
| Reinsurance Price      |   | Whole Group: 150%<br>Individual: 500% §38a-569(c)   |
| Cost Sharing           |   | \$5000 for all plans except those which supplement the basic hospital or hospital surgical plans, in which case the deductible is \$2000 §38a-569(b1)   |
| Assessments            |   | (1) Apportioned among all members in proportion to their respective shares of the total premium earned from small group plans, (2) apportioned among all members in proportion to their respective shares of total premium earned from other plans; members' assessments cannot exceed 60% of the total assessment for the first year; 50% for the second year. §38a-569 a(2)             |
| Other                  |   |   |
| Effective Date         | July 1, 1994  | July 1, 1990  |

|                        | DELAWARE   | FLORIDA  |
|------------------------|--|--|
| Availability           | Guaranteed issue (groups of 2-25) §7207(a)3  | Guaranteed issue of standard and basic plans with cap (group size 3-25) §627.6699(3)r, (5)a  |
| Group Size             | 1-50 §7202(29) (SBH 365 - 1994)  | 1-25 §627.4106(2)a (Jan. 1, 1994 changes to 1-50)  |
| Individual Policies    | Applies to any health benefit plan provided by a small employer which provides coverage to the employees of such small employer in this state. §7203   | Generally applies to individual policies sold to small employers. Regarding rating and renewability provisions, does not apply to individual policies if the insurer certifies to the department that the policy was issued in good faith with no knowledge or intent that the policy is paid by or the premiums are reimbursed by a small employer §627.4106(4) (Applies to individuals 4/94) |
| Case Characteristics   | Demographic or other objective characteristics of small employer as considered by carrier in determination of premiums; Claims experience, health status, and duration of coverage are not case characteristics; small employer carrier shall not use characteristics other than age, industry, geographic area, family composition, unhealthy lifestyle choices, and group size without prior approval of Commissioner §7202(d), 7204, 7205(4)  | Demographic or other objective characteristics of small employer as considered by carrier in determination of premiums; Claims experience, health status, and duration of coverage are not case characteristics §627.4106(2)e<br><br>(1/1/94 rating factors are age, gender, family comp., tobacco usage and geography)  |
| Rating Restrictions    | Index rate for one class of business may not exceed the index rate for any other class of business by more than 20%; for a class of business, the premium rates charged small employers with similar benefit plans shall not vary from the index rate by more than 35%, with an additional combined variation of no more than 10% for gender and geography, and the actuarially justified adjustment for age and family composition, provided that the carrier file age and family composition tables with the Commissioner §7205(1,2) | Index rate for one class of business may not exceed the index rate for any other class of business by more than 20%; for a class of business, the premium rates charged small employers with similar case characteristics shall not vary from the index rate by more than 25% §627.4106(5)1,3<br><br>Expires 1/1/94.   |
| Transitional Period    | For plans delivered or issued for delivery prior to the effective date of this chapter, premium rate may have a 1 year transition period §7205(7)  | 5 years §627.4106(9)   |
| Renewal Rating         | Trend plus 15% plus changes in case characteristics §7205(3)b  | Trend plus 15% plus changes in case characteristics §627.4106(5)b  |
| Renewability           | Guaranteed renewable except "for cause" §7206  | Guaranteed renewable except "for cause" §627.4106(6)   |
| Whole Groups           | Carriers must offer coverage to all eligible employees and dependents §7207(a)   | Carriers must offer coverage to all eligible employees and dependents §627.6699(5)e(7)   |
| Continuity of Coverage | Preexisting condition limitation of 12 months; credit shall be given if a person was covered under qualifying previous coverage if previous coverage was continuous 60 days prior to the new coverage, exclusive of applicable waiting periods §7207(c)  | Preexisting condition limitation of 12 months with 6 month lookback; credit shall be given if a person was covered under qualifying previous coverage if previous coverage was continuous 30 days prior to the new coverage, exclusive of applicable waiting periods §627.6699(5)e(1)(2)   |
| Reinsur. Type          | Prospective/with an opt-out §7210  | Prospective/with an opt-out §627.6699(8)   |
| Reinsurance Price      | Whole Group: 150%<br>Individual: 500% §7210(1)c  | Whole Group: 150%<br>Individual: 500% §627.6699(8)(1)a,b   |
| Cost Sharing           | \$5,000 plus 10% of the next \$50,000 §7210(1)c, (1)c  | \$5000 per year plus 10% of incurred claims during a calendar year §627.6699(8)9(c)  |
| Assessments            | Formula to be set by Board but must be 50% - 150% of carrier's proportional share of all reinsuring carriers' small employer premiums; maximum amount shall be 5% of total premiums earned in previous year from small employer plans §7210(1)c(2)(b), (1)c  | 1st tier: an amount not to exceed 5% of small employer premiums; 2nd tier, if necessary: an amount not to exceed .5% of premiums collected on all health benefit plans issued by small and large group carriers §627.6699(8)1(2)   |
| Other                  | Allows reinsurance of existing business §7210(1)c  | Carriers paying 2nd tier assessments will receive a credit for assessments paid to the Florida Risk Pool §627.6699(8)1(2)b   |
| Effective Date         | January 6, 1993  | October 1, 1992 (rating & renewability provisions 10/1/91)   |

| GEORGIA                |   |
|------------------------|---|
| Availability           |   |
| Group Size             | 1-50 (not applicable to true associations) §33-27-8(a)  |
| Individual Policies    | Silent  |
| Case Characteristics   | Age, sex, area, industry, occupation and avocational factors may be considered. "Duration since issue and their factors may not be considered." §33-27-8(d)   |
| Rating Restrictions    | The claims experience produced by small groups covered under "group life" insurance for each insurer shall be fully pooled for rating purposes. The claims experience provided by any individual small group shall not be used in any manner for rating purposes §33-27-8(b), but see §33-27-8(d) which states that not withstanding subsection (b) the total premium calculated for any small group may deviate from the pool rate by not more than + or - 25% based upon individual small group experience factors. §33-27-8(d) |
| Transitional Period    | Silent  |
| Renewal Rating         | Substandard rating shall not be used for renewability purposes. §33-27-8(d)   |
| Renewability           | Guaranteed renewable except for cause. §33-24-56  |
| Whole Groups           |   |
| Continuity of Coverage |   |
| Reinsurance Type       |   |
| Reinsurance Price      |   |
| Cost Sharing           |   |
| Assessments            |   |
| Other                  |   |
| Effective Date         | October 1, 1990   |

|                        | HAWAII   | IDAHO   |
|------------------------|--|---|
| Availability           | State run, employment based program; all residents are eligible  | Guaranteed issue of standard and basic plan (2-49). §41-4708(c)   |
| Group Size             | No provision   | 1-49 §41-4703(2B)   |
| Individual Policies    | No provision   | Does apply to individual policies. §41-4704   |
| Case Characteristics   | No provision   | Demographic or other objective characteristics of small employer as considered by carrier in determination of premiums; Claims experience, health status and duration of coverage are not case characteristics. Carriers shall not use case characteristics, other than age or gender, without prior approval of the director. §41-4703(B). |
| Rating Restrictions    | No provision   | Index rate for one class of business may not exceed the index rate for any other class of business by more than 20%; for a class of business, the premium rates charged small employers with similar case characteristics shall not vary from the index rate by more than 25%. Tobacco usage may be used as a rating factor. §41-4706       |
| Transitional Period    | No provision   | 3 years §41-4706(f)   |
| Renewal Rating         | No provision   | Trend plus 15% plus changes in case characteristics §41-4706(c)   |
| Renewability           | No provision   | Guaranteed renewable except "for cause" §41-4707  |
| Whole Groups           | No provision   | Carriers are required to take the whole group. §41-4708(3)e   |
| Continuity of Coverage | No provision   | Preexisting condition limitation of 12 months; full credit given if a person was covered under qualifying previous coverage if that coverage was continuous 30 days prior to the new coverage, exclusive of applicable waiting periods §41-4708(3)  |
| Reinsurance Type       | No provision   | Prospective/with an opt-out §41-4709  |
| Reinsurance Price      | No provision   | Whole Group: 150%<br>Individual: 500% §41-4711(10)b   |
| Cost Sharing           | No provision   | \$5,000 plus 10% of the next \$50,000 of incurred claims during a calendar year. §41-4711(9)  |
| Assessments            | No provision   | Determined by Board. §41-4711(12)e  |
| Other                  | Employees required to pay 1.5% of wages, or half the premium whichever is less; employers provide the balance for each employee working more than 20 hours per week; dependent coverage is optional; unemployed residents above poverty level pay a small fee for doctor visits and a portion of the premium with the remainder being funded by the State; poor are covered by Medicaid. |   |
| Effective Date         |  | July 1, 1993  |

|                        | ILLINOIS  |
|------------------------|---|
| Availability           | Silent  |
| Group Size             | 3-25 §10 (SBM 830, 1993)  |
| Individual Policies    | Does not include individual §10   |
| Case Characteristics   | Relevant demographic, geographic or other objective characteristics of a small employer in the determination of premiums. Claim experience, health status and duration of coverage are not characteristics. §10   |
| Rating Restrictions    | Index rate for a rating period for any class of business shall not exceed the index rate of any other class of business by more than 20%. Premium rates for small employer plans with similar case characteristics may not vary from the index rate by more than 25%. §30 |
| Transitional Period    | silent  |
| Renewal Rating         | 15% annually. §30(A)(3)(b)  |
| Renewability           | Guaranteed renewable except for "cause." §35  |
| Whole Groups           | Insurers are required to offer coverage to the entire group. §20(c)   |
| Continuity of Coverage | Preexisting condition limitation of 12 months. Portability of coverage to the extent a person was covered under a prior employer-based plan if not a late enrollee and prior coverage was continued exclusive of any applicable waiting period. §20A                      |
| Reinsurance Type       | Silent  |
| Reinsurance Price      | Whole Group: Silent<br>Individual: Silent   |
| Cost Sharing           | Silent  |
| Assessments            | Silent  |
| Other                  | The director may adopt and promulgate rules and regulations to carry out provisions of the Small Employer Rating, Renewability and Portability Health Insurance Act. §55  |
| Effective Date         | January 1, 1994   |

|                        | INDIANA  | IOWA  |
|------------------------|--|---|
| Availability           |  | Guaranteed issue §513(B)10  |
| Group Size             | 3-50 IC 27-8-15(14)  | 1-50; however, must have at least 2 participating employees at the date of issue of health benefit plan §513B.2   |
| Individual Policies    | Does not apply to individual policies. IC 27-8-15(2)   | Does apply to individual policies which are subject to policy form and premium rate approval. §513B.3   |
| Case Characteristics   | Relevant demographics of small employer as considered by carrier in determination of premiums. Claims experience, health status, and duration of coverage are not case characteristics. IC 27-8-15(6)  | Include age, geographic area, family composition, and group size; gender may be used provided the insurance division has conducted an independent, actuarial study that determined use of gender shall to be actuarially justified; other case characteristics shall not be used without prior approval of commissioner. §513B.4(2) |
| Rating Restrictions    | For a small employer business, the premium rates charged small employers with similar case characteristics for the same or similar benefit design characteristics may not vary from the midpoint rate by more than 35%. IC 27-8-15(16)(1)  | Index rate for one class of business shall not exceed the index rate for any other class of business by more than 20%; for a class of business, the premium rates charged small employers with similar case characteristics shall not vary from the index rate by more than 25%. §513B.4  |
| Transitional Period    | 5 years IC 27-8-15(16)(3)  | 3 years §513B.4   |
| Renewal Rating         | Trend plus 15% plus changes in case characteristics. IC 27-8-15(16)(2)   | Trend plus 15% plus changes in case characteristics. §513B.4  |
| Renewability           | Guaranteed renewable except "for cause." IC 27-8-15(19)  | Guaranteed renewable except "for cause." §513B.5  |
| Whole Groups           |  | Must offer to whole group, except as permitted with regard to late enrollees. §513B.7A(3)e  |
| Continuity of Coverage | Preexisting condition limitation of no more than 9 months. Must waive exclusion period for preexisting conditions for time employee was previously covered by a plan to a date not more than 30 days before effective date. Preexisting exclusions limited to 15 days for late enrollees. §27-8-15(27) et seq. (effective 1/1/96) Continuing coverage for at least 90 days. IC 27-8-15(31.1) | Preexisting condition limitation of 12 months; credit shall be given if a person was covered under qualifying previous coverage if previous coverage was continuous 30 days prior to the new coverage, exclusive of applicable waiting periods. May impose waiting period of no longer than 60 days for new entrants. §513B.7A(3)3  |
| Reinsurance Type       |  | Prospective with an opt-out §513B.7(D)  |
| Reinsurance Price      |  | Whole Group: 150%<br>Individual: 500% §513B.7(D)9(b)  |
| Cost Sharing           |  | \$5,000 and 10% of the next \$50,000 of incurred claims during a calendar year; liability maximum of \$10,000 in any one calendar year with respect to any reinsured individual. §513B.7(D)8(D)   |
| Assessments            |  | Formula to be set by Board but must be 50%-150% of carrier's proportional share of all reinsuring carriers' small employer premiums; amount shall be 5% of total premiums earned in previous year from small employer plans. §513B.7(D)11(2)  |
| Other                  |  |   |
| Effective Date         | June 30, 1992  | July 1, 1992  |

|                        | KENTUCKY   |
|------------------------|--|
| Availability           | Guaranteed issue SBN 250 §54(1)  |
| Group Size             | No provision   |
| Individual Policies    | Applies to individual policies. §55  |
| Case Characteristics   | Modified community rating for state alliance plans, individual plans and groups with less than 100. Factors permitted include age (limited to 300%), geography, family composition, benefit design, and limited discount for healthy lifestyle. §55(1) |
| Rating Restrictions    | No provision   |
| Transitional Period    | No provision   |
| Renewal Rating         | No provision   |
| Renewability           | Guaranteed renewable except for "cause." (Regulation 806. 18:030)  |
| Whole Groups           | No provision   |
| Continuity of Coverage | Pre-existing condition limitation of 6 months; applies only to conditions arising during prior six months. Credit given for prior health coverage if there was no lapse more than 60 days. §54(2)  |
| Reinsurance Type       | No provision   |
| Reinsurance Price      | No provision   |
| Cost Sharing           | No provision   |
| Assessments            | Risk adjustment process shall be set by Board to reflect demographic and medical risk characteristics. §56   |
| Other                  | After 7/15/95 only five Board approved plans may be offered in the state (approved supplemental plans may also be offered). §59 Plans must include cost containment features. Any willing provider §54(3);   |
| Effective Date         | July 15, 1995  |

|                        | KANSAS   | LOUISIANA   |
|------------------------|--|---|
| Availability           | Guaranteed issue (group size: 3-25) (1992 SB 561) §4(b), 12(a)   | Silent  |
| Group Size             | 1-50 §3(z)   | 3-35 for employer groups §22:228.1; Family groups of 1 or more persons §22:215.A(2)(a)  |
| Individual Policies    | Individual policies issued to individuals and dependents totally independent of any group, association, or trust arrangement shall not be subject to this Act §4(a), 4(a)3(e)  | Silent  |
| Case Characteristics   | Case characteristics include the geographic area, age and sex, industry classification, number of employees and dependents, family composition, and other objective criteria as may be approved by the commissioner; claims experience, health status, and duration of coverage are not case characteristics §3(g) | Modified community rating. Age, gender, industry, geographic area, family composition, group size, tobacco usage, plan benefits and other approved factors may be used in determination of premiums. Claims experience, health status, and duration of coverage must be phased out at the first renewal after 1/1/94 (individually underwritten, guaranteed renewable limited benefit or supplemental policies exempted). §22:228.6   |
| Rating Restrictions    | Index rate for one class of business shall not exceed the index rate for any other class of business by more than 20%; for a class of business, the premium rates charged small employers with similar case characteristics shall not vary from the index rate by more than 25% §7(1)(2)                           | Index rate for one class of business shall not vary from the index rate for any other class of business by more than plus or minus 20% after 1/1/94. After 1/1/96, may not vary by more than 10%. For a class of business, the premium rates charged small employers with similar case characteristics shall not vary from the index rate by more than 25%. §22:228.6(B) May not increase premium rates during first 12 months of coverage or more than once in any 6 month period 22.229 |
| Transitional Period    | 3 years §7(6)  | 3 years (until 1/1/94) §22:228.1  |
| Renewal Rating         | Trend plus 15% plus changes in case characteristics §7(3)(b)   | Trend plus 15% plus changes in case characteristics. §22:228.2  |
| Renewability           | Guaranteed renewable except "for cause" §5(c)  | Guaranteed renewable except "for cause." §22:228.3  |
| Whole Groups           | Prohibits carrier from excluding any employee or dependent on the basis of an actual or expected health condition §5(c)6(e)  | May not impose a preexisting condition limitation greater than 12 months. R.S. 215.12. Credit given for previous coverage if coverage was continuous to a date not more than 60 days prior to new coverage, exclusive of any waiting periods. R.S. 215.12.  |
| Continuity of Coverage | Preexisting condition limitations of 90 days and waiting periods not to exceed 90 days; waiting periods may be waived if individual was covered by a group policy prior to the effective date of coverage with no gap in coverage §6(a)(b)   |   |
| Reinsurance Type       | Prospective/with an opt-out §11(a)   |   |
| Reinsurance Price      | To be established by the reinsurance board §13(g)6   |   |
| Cost Sharing           | \$10,000 plus 10% of the next \$50,000; maximum in one calendar year shall not exceed 20% of total premium §11(h)6(j)  |   |
| Assessments            | Not to exceed 5% of small employer plan premiums; second tier not to exceed 1% of total premium upon which assessment is based §11(k)2(c)  |   |
| Other                  | Must reinsure the entire -ous <u>all</u> carriers, whether reinsuring or not, subject to second tier assessment §11(k)2(b)   |   |
| Effective Date         | July 1, 1992   | January 1, 1994   |

|                        | MAINE  | MARYLAND   |
|------------------------|--|--|
| Availability           | Guaranteed issue of standard and basic plans. (1992 HP 507) §2808-B 4(A)   | Guaranteed issue all plans. Carriers must have annual 30-day open-enrollment period for self-employed individuals. §704(A and B)   |
| Group Size             | 1-24 §2808-B 1(D)  | 2-50 (3-50 until 1/1/95 if carrier does not impose pre-existing conditions.) §698(P)   |
| Individual Policies    | All policies, plans, contracts and certificates issued are subject to this section. §2808-B(7)   | Could apply in the future as well as to larger groups if statutory trigger is met.   |
| Case Characteristics   | A carrier may not vary the premium rate due to the gender, health status, claims experience or policy duration of the eligible group; age, industry, smoking status and geography within the bands; family status, smoking status, participation in wellness programs, and group size may be used outside rate bands §2808-B 2(B)  | Carriers may only adjust the community rates for age and geography. Geography is based on the Baltimore metropolitan area; the DC metropolitan area; Western Maryland and Eastern and Southern Maryland. §702(A)   |
| Rating Restrictions    | Premium rates for age, gender, industry, and geographic area may not vary by +/- 50% of the community rate until 7/14/96, +/- 33% of the community rate until 7/14/95, and +/- 20% of the community rate after 7/14/95. §2808-B 2(D)   | Carriers may charge 50% above or below the community rate between 7/1/96 and 6/30/95; 40% between 7/1/95 and 6/30/96; 33% between 7/1/96 and 6/30/97; and 16% after 7/1/97. §702(B)  |
| Transitional Period    | None   | No provision.  |
| Renewal Rating         | No provision   | No provision.  |
| Renewability           | Guaranteed renewable except "for cause" §2808-B 4(B)   | Guaranteed renewable except "for cause" for all plans §705   |
| Whole Groups           | (1990 - applies to <u>all</u> groups) Prohibits carriers from excluding any person from group; all new eligible employees must be added; may reject group until guaranteed issue is effective §2829-B  | Carriers are required to take the whole group. §704(B)   |
| Continuity of Coverage | (1990 - applies to <u>all</u> groups) Requires continuity for any person eligible for coverage in prior 3 months in a group replacement situation or for person moving from individual to group or group-to-group coverage; No preexisting condition waiting period for more than 12 months; Exclusions may only relate to conditions manifested during 12 mos. immediately preceding effective date of new coverage or pregnancy §2850(2) Late enrollees cannot be excluded for more than 6 mos. §2367(1) | Until 12/31/96, preexisting condition limitation of 6 months, after that date - none; credit given if previous coverage was continuous 60 days prior to the new coverage. Late enrollees may be subject to 12 month limitation. §701(a) Late enrollees waiting periods not to exceed 12 months or enrollee has the option to wait for the next open enrollment period which may not exceed a 12-month period. §701(b) May impose up to a 90 day waiting period or surcharge not to exceed 150% of community rate for one year. §701(c) |
| Reinsurance Type       | Prospective with opt out §2808-B   | Prospective/with an opt-out. §706  |
| Reinsurance Price      | No provision   | Whole Group: 150%<br>Individual: 500% §709(B)  |
| Cost Sharing           | No provision   | \$5,000 plus 10% of the next \$50,000 of incurred claims during a calendar year; liability maximum of \$10,000 in any one calendar year with respect to any reinsured individual §709(A)5  |
| Assessments            | No provision   | Formula to be set by Board, but must be 50% - 150% of carrier's proportional share of all reinsuring carriers' small employer premiums; maximum amount shall be 5% of total premiums earned in previous year from small employer plans §709(D)   |
| Other                  | Marketing standards; superintendent will develop standardized plans §2808-B 6)   | Loss ratio 75% and expense ratio 20% or commissioner may require the insurer or HMO to file new rates. §712  |
| Effective Date         | July 15, 1993 (for rating and guaranteed issue)  | July 1, 1993 (some provisions effective 7/1/96)  |

|                        | MASSACHUSETTS  | MINNESOTA  |
|------------------------|--|--|
| Availability           | Guaranteed issue; however, until December 31, 1994, a carrier can limit the guaranteed issue requirement to 90 consecutive days a year; certain association groups are exempted from all but the reinsurance portion of the bill (1991 HB 6207) §2(b), 4(a)1   | Guaranteed issue of all products sold in small employer market (1992 HB 2800, SB 2603) §3 subd. 1, 4 subd. 1   |
| Group Size             | 1-25 §1  | 2-49 §subd. 26   |
| Individual Policies    | Does not apply to individual policies §2(a)  | All provisions except guaranteed issue apply to individual policies §12 subd. 1,2,6 subd. 27(i)(ii)  |
| Case Characteristics   | Age, sex, rate basis type, industry, number of eligible persons, and participation rate of a group §1  | Relevant characteristics of small employer as determined by carrier in determination of premiums; claims experience, health status, industry, duration of coverage, and gender are not case characteristics §2 subd. 6, 3 subd. 4  |
| Rating Restrictions    | Premium rates are limited to a 2:1 rate band; however, the following adjustments are permitted inside that band: benefit level, geography +/- 20%, group size +/- 5%, wellness discount -5%, phase out adjustment for experience and duration rating on existing business to reach +/- 15% by 12/31/94, age +/- 33% until 12/31/93 §3(a)1, 3(a)3(4), 3(a)7 | Rates must not vary by more than +/- 25% of the index rate for same or similar coverage; inside the rating band, variations can be based only on health status (includes refraining from tobacco use or other actuarially valid lifestyle factors), claims experience, industry, and length of time employer has been covered; adjustments outside the band: age +/- 50%, geography +/- 20%, rate cells are permitted based on number of adults and children covered under the policy §8 subd. 2,3,4,5,6 |
| Transitional Period    | Phase out of rating restrictions §3(a)8  | None   |
| Renewal Rating         | Trend plus 10% plus changes in case characteristics §3(b)  | No provision   |
| Renewability           | Guaranteed renewable except "for cause" §4(b)(1)(2)  | Guaranteed renewable except "for cause" §3 subd. 5   |
| Whole Groups           | Prohibits policies from excluding eligible employees or eligible dependents on the basis of an actual or expected health condition of such person §5(a)  | Application must include all eligible employees §4 subd. 1   |
| Continuity of Coverage | Preexisting condition exclusion of 6 months; credit shall be given if a person was covered under qualifying previous coverage if previous coverage was continuous 30 days prior to the new coverage and if previous coverage was reasonably actuarially equivalent to new coverage §5(b)   | Preexisting condition exclusion of 12 months; requires credit for time covered under qualifying prior coverage; permits 18 month preexisting condition limitation for late entrants §3 subd.4  |
| Reinsurance Type       | Prospective/mandatory for commercials §8   | prospective/with an opt-out §13, 18(1)   |
| Reinsurance Price      | Whole Groups: 150%<br>Individuals: 500% §8(1)(2)   | Whole Groups: 150%<br>Individuals: 500% §21(1)   |
| Cost Sharing           | \$5,000 §8   | \$5,000, plus 10% of the next \$50,000 §20(1)  |
| Assessments            | 5% of small employer premiums; if inadequate, other funding sources will be recommended §8(7)  | Initially, \$100; in addition, not to exceed 4% of the member's small group market premium (if it is determined that premium charges are insufficient to cover the losses) §22(2)(3)   |
| Other                  |  | Loss ratios: initially 65% for individual policies, 75% for group policies; increases by 1% per year to 70% and 80%, respectively §8(1)  |
| Effective Date         | April 1, 1992  | Most provisions July 1, 1993   |

|                        | MISSISSIPPI   |
|------------------------|---|
| Availability           |   |
| Group Size             | 1-35 §83-63-5(m)  |
| Individual Policies    | Subject to law if any portion of premiums or benefits is paid by employer. §83-63-1   |
| Case Characteristics   | Demographics and other objective characteristics; Claims experience, health status and duration of coverage are not case characteristics. §83-63-3(d) |
| Rating Restrictions    | Rate may not vary by more than +/- 25% of index rate for any class of business with similar case characteristics §83-63-7(1)                          |
| Transitional Period    | 3 years §83-63-7(e)   |
| Renewal Rating         | Trend plus 15% changes in case characteristics §83-63-7(c)  |
| Renewability           | Guaranteed renewable except for cause. §83-63-11  |
| Whole Groups           |   |
| Continuity of Coverage |   |
| Reinsurance Type       |   |
| Reinsurance Price      |   |
| Cost Sharing           |   |
| Assessments            |   |
| Other                  |   |
| Effective Date         |   |

|                        | MISSOURI  | MONTANA  |
|------------------------|---|--|
| Availability           | Guaranteed issue of basic and standard plans (1992 SB 796) §6   | Guaranteed issue of standard and basic plans. §29 (1995 HB 466)  |
| Group Size             | 3-25 §1(2B)   | 3-25 §24(25)   |
| Individual Policies    | Generally applies to individual policies sold to small employers. Sections 1-12 shall not apply to any plan when employees pay the total cost of the plan. §2(1)(2)(3),3  | Individual policies sold to small employers meeting certain requirements are subject to this Act. §25  |
| Case Characteristics   | May use age, sex, industry, geography, family composition, and group size without prior approval of director; claims experience, health status, and duration of coverage are not case characteristics. §379.936.1(10)   | Relevant characteristics of small employer as determined by carrier in determination of premiums; claims experience, health status, gender and duration of coverage are not case characteristics. §24(8)   |
| Rating Restrictions    | Index rate for one class of business shall not exceed the index rate for any other class of business by more than 20%; for a class of business, the premium rates charged small employers with similar case characteristics shall not vary from the index rate by more than 25% §4(1)(2)  | Index rate for one class of business shall not exceed the index rate for any other class of business by more than 20%; for a class of business, the premium rates charged small employers with similar case characteristics shall not vary from the index rate by more than 25%. If the MT health care authority certifies to the commissioner that the cost containment goal is met before 1/1/99, the premium rates charged to small employers with similar case characteristics for the same or similar coverage may not vary from the index rate by more than 20%. §27 |
| Transitional Period    | 3 years §4(3)b  |  |
| Renewal Rating         | Trend plus 15% plus changes in case characteristics §4(3)b  | Trend plus 15% plus changes in case characteristics. §27c  |
| Renewability           | Guaranteed renewable except "for cause." §5   | Guaranteed renewable except "for cause" §28  |
| Whole Groups           | Insurer must cover the whole group §6(5)a   | Must cover whole group §29   |
| Continuity of Coverage | Preexisting condition limitation of 12 months with 6 month lookback; credit shall be given if a person was covered under qualifying previous coverage if previous coverage was continuous 30 days prior to the new coverage, exclusive of applicable waiting periods. Permits 18 month preexisting condition limitation for late entrants. §6(2)(2) | Preexisting condition exclusion of 12 months; waiting periods may be waived if individual was covered by a group policy prior to the effective date of coverage if previous coverage was continuous for 30 days prior to new coverage; permits 18 month preexisting condition limitation for late entrants. §29  |
| Reinsurance Type       | Prospective/mandatory with an opt-out after three years §7(1)   | Prospective with opt out. §30  |
| Reinsurance Price      | Whole Group: 150% §7(9)2  | Whole Groups: 150%<br>Individual: 500% §30   |
| Cost Sharing           | \$5,000 plus 10% of the remaining incurred claims; maximum limit of \$25,000 §7(8)3   | \$5,000, plus 20% of the next \$100,000, with a maximum limit of \$25,000 per year, per individual. §30  |
| Assessments            | Formula to be set by Board, but must be 50%-150% of carrier's proportional share of all reinsuring carriers' small employer premiums; maximum amount shall be 5% of total premiums earned in previous year from small employer plans. §11   | The board shall determine prior to March 1 each year. Formula requires each carrier to pay a fraction of the total assessment. §33-22-1819(B)  |
| Other                  |   | Loss ratios: Initially 65% for individual policies, 75% for group policies; increases by 1% per year to 70% and 80%, respectively §8(1)  |
| Effective Date         | Guaranteed issue and continuity of coverage provision effective July 1, 1994; all other sections effective July 1, 1993.  | January 1, 1994 §30-34; July 1, 1993; October 1, 1995  |

|                        | HEV/DA   |
|------------------------|--|
| Availability           | Limited open enrollment. §689C-19 (AB 299, 1995)   |
| Group Size             | 2-25 §689C-10  |
| Individual Policies    |  |
| Case Characteristics   | May not use characteristics other than age, sex, industry (limited), geography, family composition or group size without prior approval of commissioner; may not use claim experience, health status or duration of coverage. §689C-14 and 21.   |
| Rating Restrictions    | Index rate for one class of business may not exceed the index rate for any other class of business by more than 20%. For a class of business, the premium rates charged small employers with similar case characteristics shall not vary from the index rate by more than 25%. §689C-22. |
| Transitional Period    | Three year transition period. §689C-20(3)  |
| Renewal Rating         | Trend plus 15% plus changes in case characteristics. §689C-20  |
| Renewability           | Guaranteed renewable except for cause. §689C-29  |
| Whole Groups           | Carriers must offer coverage to whole group. §689C-18  |
| Continuity of Coverage | Preexisting condition limitation of 6 months if enrolled during open enrollment or for late enrollees. 12 month waiting period for employees who miss open enrollment period. Credit given for continuous coverage up to 90 days prior to effective date. §689C-18                       |
| Reinsurance Type       |  |
| Reinsurance Price      |  |
| Cost Sharing           |  |
| Assessments            |  |
| Other                  |  |
| Effective Date         | Most sections effective January 1, 1996.   |

|                        | NEBRASKA  | NEW HAMPSHIRE  |
|------------------------|---|--|
| Availability           | Guaranteed issue of standard and basic plans, but with cap of \$1 million. LBN 1222 §38(4)  | Guaranteed issue §420-G:4(c) Carriers may require up to 75% of eligible employees to qualify §420-G(11) (1994 SB 711)  |
| Group Size             | 3-25 LBN 1222 §31   | 1-100 §420-G:3(1)  |
| Individual Policies    | Does not apply to individual policies which are subject to policy form and premium rate approval. Individual policies issued prior to 1/1/95 under certain circumstances. LBN 1222 §34(2)   | Applies to individual health insurance policies §420-G:(11)  |
| Case Characteristics   | Age, gender, industry, geographic area, family composition and group size. Others may be used with prior approval of director. Claims experience, health status, and duration of coverage are not case characteristics. LBN 1222 §36(j)   | Gender, geography, occupation, claims experience, health status, and duration of coverage are not case characteristics §420-G:4  |
| Rating Restrictions    | Index rate for one class of business shall not exceed the index rate for any other class of business by more than 20%. For a class of business, the premium rates charged small employers with similar case characteristics shall not vary from the index rate by more than 25%. LBN 1222 §36 | Community rating based on monthly or quarterly average for each membership type - may modify only for age brackets. First year maximum differential is 4 to 1; second and subsequent years, 3 to 1. §420-G:4   |
| Transitional Period    | 3 years LBN 1222 §36(g)   |  |
| Renewal Rating         | Trend plus 15% plus changes in case characteristics. LBN 419 §24  | May not be increased by more than 25% from preceding year. §420-G:4  |
| Renewability           | Guaranteed renewable except "for cause." LBN 1222 §37   | Guaranteed renewable except "for cause" §420-G:4(1)(c)(4)  |
| Whole Groups           | Carriers must offer coverage to whole group. §44-5260(3)(e)   | Insurer must cover the whole group §420-F:4  |
| Continuity of Coverage | Preexisting condition limitation of 12 months; credit shall be given if a person was covered under qualifying previous coverage if previous coverage was continuous 90 days prior to the new coverage, exclusive of applicable waiting periods. LBN 1222 §38(3)                               | Preexisting conditions waiting period allowed up to 3 months, condition exclusions up to 9 months; credit given for previous coverage whether insured or self-insured; lack of coverage during period of unemployment will also be disregarded; late enrollees must wait for next open enrollment period G:4(11) |
| Reinsurance Type       | Prospective with opt out. LBN 1222 §39  | No provision   |
| Reinsurance Price      | Whole Group: 150%<br>Individual: 500% LBN 1222 §39(9)(b)  | No provision   |
| Cost Sharing           | \$5,000 plus 10% of the next \$50,000 up to \$10,000 in calendar year LBN 1222 §39(8)(d)  | No provision   |
| Assessments            | Formula to be set by Board but must be 50%-150% of carrier's proportional share of all reinsuring carriers' small employer premiums. LBN 1222 §39(11)   | No provision   |
| Other                  | Standard and Basic Health plans required LBN 1222 §38   | High Risk Pools prohibited §420-G:41(c)(3)<br>Requires acceptance of electronic claims submitted in WCPA format. §420-G:4 VI   |
| Effective Date         | April 16, 1994; (amended by LB537, 1995)  | January 1, 1995  |

|                        | NEW JERSEY  | NEW MEXICO  |
|------------------------|---|---|
| Availability           | Continuous open enrollment; guaranteed issue of five "standard" plans or MO variation §17B:27A-19   | Silent  |
| Group Size             | 2-49 §17B:27A-17  | 2-50 §59A-23C-3.C   |
| Individual Policies    | Applies to all health benefit plans covering 2 or more eligible employees of one or more small employers §17B:27A-18  | Does not apply to individual policies which are subject to policy form and premium rate approval. §59A-23C-6.B  |
| Case Characteristics   | Community rating; prohibits the use of age, gender, health status, residence or occupation with community rating. §17B:27A-17   | Until 7/1/98, case characteristics include age, gender, geography and smoking; however, claims experience, health status or duration of coverage may not be used; After 7/1/98, the only factor allowed will be age (+/- 10) §59A-23C-5.1   |
| Rating Restrictions    | Plans must be community rated by 1/1/97. 1/1/96 to 12/31/95, premium rates charged to highest rated group shall not be greater than 300% of rate charged to lowest rated group. 1/1/96 to 12/31/96 greater than 200%. §17B:27A-25(a)  | Index rate for one class of business shall not exceed the index rate for any other class of business by more than 15%. For a class of business, the premium rates charged small employers with similar case characteristics shall not vary from the index rate by more than 25% of the index rate. §59A-23C-5 |
| Transitional Period    | 3 years §17B:27A-25(a)  | 5 years §59A-23C-5.4  |
| Renewal Rating         | Beginning 1/1/95 new rate informational filing with commissioner of increase or decrease provided the loss ratio not be less than 75%. §17B:27A-25(g)   | trend plus 10% plus changes in case characteristics. §59A-23C-5.A(3)  |
| Renewability           | Guaranteed renewable except "for cause." §17B:27A-23.   | Guaranteed renewable except "for cause." §59A-23C-6   |
| Whole Groups           | Must offer coverage to all employees and their dependents. Cannot exclude based on actual or expected health condition. §17B:27A-18   | Must cover whole group. (HB 236, 1995)  |
| Continuity of Coverage | Generally no preexisting condition limitations. Prees may apply to a group of 2-5 if the period is 180 days forward and 6 months back, however, if 10 or more late enrollees request coverage pre-es does not apply. Credit shall be given if a person was covered under qualifying previous coverage if previous coverage was continuous 90 days prior to the new coverage, exclusive of applicable waiting periods. §17B:27A-22 | Preexisting condition limitation of six months §59A-23C-7.1   |
| Reinsurance Type       | Prospective §17B:27A-35   |   |
| Reinsurance Price      | Each carrier's assessment calculated by multiplying the total assessment amount by the ratio of the carrier's earned premiums to the total earned premiums for all reinsuring carriers. NJAC 11:21-2.9(c)(1) Reinsuring carrier's assessments exceeding 4% of earned premiums will be apportioned to all small employer carriers based on their share of earned premiums. NJAC 11:21-2.9(c)(5)                                    |   |
| Cost Sharing           | Reimbursement to be determined by the standards developed by the board §17B:27A-36(a)   |   |
| Assessments            | Apportioned among all reinsuring members in proportion to their respective shares of the premiums earned from small group plans. Additional assessments of all members not to exceed 1% of premiums. Credit given to carriers paying 3rd tier assessments. §17B:27A-37  |   |
| Other                  | Requires all small employer carriers to offer 5 standard plans. §17B:27A-18. MEWA's must register with NJ Small Employer Health Access Benefits Program, and must offer one or more of the standard plans; must conform to rating restrictions, guaranteed issue, and guaranteed renewability provisions. §17B:27A-18   |   |
| Effective Date         | January 1, 1994   | January 1, 1995   |

|                        | NEW YORK   | NORTH CAROLINA   |
|------------------------|--|--|
| Availability           | Continuous open enrollment (guaranteed issue) (1992 A 12350-A) §3231   | Guaranteed issue §143-629 (1993 HB 729, Chapter 529)   |
| Group Size             | 3-50 for open enrollment §3231   | 2-49 §58-50-110(22)  |
| Individual Policies    | Must be community rated and must be offered through open enrollment §3231  | Applies to individual health policies (only self-employed) §143-623  |
| Case Characteristics   | Prohibits the use of age, sex, health status, or occupations; geography is permitted on a county-wide (or larger) basis; Since not prohibited, presumably group size, participation, wellness, and other case characteristics are permitted §3231(a,b) | Adjusted community rating methodology allowing the premium to vary on the basis of the eligible employee's or dependent's age, gender, number of family members covered or geographic area. Rating factors related to age, gender, number of family members covered or geographic location may be developed by each carrier to reflect carrier's experience. No age brackets of less than 5 yrs. May not apply different geographic rating factors to the rates of small employers located within the same county. §58-50-130  |
| Rating Restrictions    | No statutory restrictions on permitted case characteristics, but Department has rate approval authority for initial rates §3231(c)(e)  | May not modify the rate for a small employer for 12 months from the initial issue date or renewal date, unless the composition of the group changed by 20% or more or benefits are changed. Community rating index line adjusted pro rata for a period of 2 yrs. beginning 1/1/95. Carriers participating in an Alliance may apply a different community rate. On 1/1/95 rates charged employers with similar case characteristics for the similar coverage shall not vary from the adjusted community rate by more than 20%. On 1/1/96 rates shall not vary by more than 10%. On 1/1/97 all small employer benefit plans issued before 1/1/97 will have rates based on the same adjusted community rating standard applied to new business. §58-50-130(b) |
| Transitional Period    | The one-year delay in effective date is viewed as the transition period  | 3 years §58-50-130(b)7   |
| Renewal Rating         | Prior rating approval; beginning April 1, 1994, rates shall be deemed approved if policy has an anticipated loss ratio of not less than 75% §3231(a), 3231(2)a   | Trend plus 15% plus changes in case characteristics §58-50-130(b)3(b)  |
| Renewability           | Coverage may not be terminated due to claims experience §3231  | Guaranteed renewable except "for cause" §58-50-130(a)3   |
| Whole Groups           | Carriers must offer coverage to all employees and their dependents §3231   | Must cover the whole group. §58-50-125   |
| Continuity of Coverage | Plans must credit the time a person was covered under previous health insurance plan or benefit arrangement if the previous coverage was continuous to a date not more than 60 days prior to the effective date of new coverage §3232(a), 4318(a)      | Preexisting condition limitation of 12 months; credit shall be given if a person was covered under qualifying previous coverage if previous coverage was continuous 60 days prior to the new coverage, exclusive of applicable waiting periods §58-50-130  |
| Reinsurance Type       | Demographic and large claims pooling mechanisms. §3233(c)  | Prospective/with an opt-out §58-50-150   |
| Reinsurance Price      | No provision   | Whole Group: 150%<br>Individual: 500% §58-50-150(g)2(g)  |
| Cost Sharing           | No provision   | \$5,000 plus 10% of the next \$50,000 §58-50-150(g)2(c)  |
| Assessments            | No provision   | First 3 years: 50% - 150% of amount it would have been had assessments been based on proportional relationship of small carrier's total premiums; not to exceed 4% §58-50-150(i)1  |
| Other                  | 1 and 2 live employers must be classified in either the individuals or small groups rating category by the insurer §3231(b)  | Set up non-exclusive Health Plan Purchasing Alliances. §143-628  |

|                        | NORTH DAKOTA   | 0410  |
|------------------------|--|---|
| Availability           | Guaranteed issue of basic and standard plans (group size 3-25) §26.1-36.3  | Modified open enrollment (for groups of 2-25). Carriers must open enroll 1/2 of 1% of small group certificate holders. §3923.58(G)  |
| Group Size             | 1-25 §1(25)  | 2-50 (2-25 for MMs) §3924.01(P)   |
| Individual Policies    | Individual policies sold to small employers meeting certain requirements are subject to this Act. §2   | Subject to law if any portion of the premium or benefits is paid by the employer, or any individual is reimbursed for any portion of the premium. Subject to open enrollment. §3924.02(A)   |
| Case Characteristics   | Age, gender, industry, geographic area, family composition and group size. Claim experience, health status and duration of coverage are not characteristics. Gender may not be used as a case characteristic after 1/1/96. §26.1-36.3-04   | Geography, age, sex and industry classification; group size. Does not include claims experience, health status or duration of coverage. §3924.01(E)   |
| Rating Restrictions    | Index rate for one class of business shall not exceed the index rate for any other class of business by more than 15%; for a class of business, premium rates charged small employers with similar case characteristics shall not vary from the index rate by more than 20%. §26.1-36.3-04 After 1/1/97 premium rates may not vary by a ratio of greater than 4:1. | Premium rates for small employer plans with similar case characteristics may not vary from the midpoint rate for those small employers by more than 35% of that midpoint rate. §3924.04(B); if carrier uses industry, may not vary more than 15% from arithmetic average for all industry classifications. §3924.04(B)                              |
| Transitional Period    |  | For health plans delivered prior to effective date, a premium rate may exceed ranges for 18 months immediately following effective date. §3924.04   |
| Renewal Rating         | Trend plus 15% plus changes in case characteristics. §6(2)   | Trend plus 15% changes in case characteristics. §3924.04(C)   |
| Renewability           | Guaranteed renewable except "for cause." §5  | Guaranteed renewable except "for cause." §3924.03(C)  |
| Whole Groups           | Must cover whole group. §6(3)  | Cannot exclude eligible employees or dependents on the basis of an actual or expected health condition. §3924.03(F)   |
| Continuity of Coverage | Preexisting condition limitation of 12 months relating to conditions 6 months before coverage. Waiting periods waived for the time an individual was previously covered if the coverage was continuous 93 days prior to the effective date of new coverage. Does not preclude application of a waiting period for all new enrollees. §6(3)                         | Preexisting condition limitation of 12 months with 6 months look back. Waiting periods may not be more than 90 days. Credit time to a person covered under a previous health plan for 30 days prior to the effective date of the new coverage, exclusive of any applicable waiting period. Late enrollees may be excluded up to 24 months. §3924.03 |
| Reinsurance Type       | Prospective §7   | Voluntary, prospective §3924.07   |
| Reinsurance Price      | Whole groups: 150%<br>Individuals: 500% §7(B)  | Whole Group: 150%<br>Individual: 500% §3924.12(A)   |
| Cost Sharing           | \$5,000, plus 10% of the next \$50,000 not to exceed \$10,000 in a year per individual. §7(B)  | Adopted although not in statute, carriers must meet the first \$5,000. Does not apply to open enrollment.   |
| Assessments            | Formula set by Board, but must be 50%-150% of carrier's proportional share of premiums; maximum amount 5% of total premium earned in previous year. §7(1)  | Apportioned among all members in proportion to their respective shares of the total premiums earned from small group plans. Assessment may not exceed 1%. §3924.13(B)<br>Separate pool for open enrollment reinsurance fund - maximum assessment of 1% of small group premiums §3924.1(2)   |
| Other                  |  |   |
| Effective Date         | August 1, 1993   | January 16, 1993  |

|                        | OKLAHOMA   |
|------------------------|--|
| Availability           | Guaranteed issue for eligibles living in service area (standard or basic plans by 1/1/95) (HBN 2256; Title 36, §6520)  |
| Group Size             | 2-50 §2.7  |
| Individual Policies    |  |
| Case Characteristics   | Case characteristics other than age, gender, industry, geographic area, family composition and group size may not be used without prior approval of Commissioner §6512.  |
| Rating Restrictions    | Index rate for a rating period for any class of business shall not exceed the index rate for any other class of business by more than 20%. For a class of business, the premium rates charged during a rating period to small employers with similar case characteristics shall not vary from the index rate by more than 25%. §6515 |
| Transitional Period    | 3 years. §6515   |
| Renewal Rating         |  |
| Renewability           | Carriers may refuse to renew for failure to meet minimum participation levels and for "cause." §9  |
| Whole Groups           | Carriers must offer coverage to all eligible employees and dependents (may exclude if not living in the established service area). §7(A)   |
| Continuity of Coverage | Pre-existing condition limitation of 12 months for past six months and pregnancy; credit given if a person was covered under qualifying previous coverage if previous coverage was continuous 60 days prior to new coverage. Late enrollees may be excluded from coverage for up to 18 months. §10                                   |
| Reinsurance type       | Prospective with opt-out.  |
| Reinsurance Price      |  |
| Cost Sharing           |  |
| Assessments            |  |
| Other                  | Voluntary reinsurance program; carrier retains liability for the first \$5,000 and 10% thereafter, up to maximum of \$10,000 per year. Any net loss is assessed back to reinsuring carriers. If assessments for 2 consecutive years exceeds 5% of total premiums, Board may assess all carriers.                                     |
| Effective Date         | (9/1/92) July 1, 1994  |

|                        | OREGON  | PENNSYLVANIA   |
|------------------------|---|--|
| Availability           | Guaranteed issue (1991 SB 1076) §6(4)   |  |
| Group Size             | 3-25 §3(25)   | Not defined  |
| Individual Policies    | Applies to individual policies providing health benefits covering one or more employees of a small employer; provisions of OR 742.005 do not apply to individual policies subject to this law §5(1)(2)  | Silent   |
| Case Characteristics   | Geography and differences in family size and composition §7(6)b   | Silent   |
| Rating Restrictions    | Premium rates may not vary from the geographic average rate by more than 33% except that the premium rate may be adjusted to reflect the provision of additional benefits not covered by the basic health care plan and differences in family size and composition §7(6)b | The Department's policy prohibiting exclusion of individual at policy inception or for new entrants due to medical conditions in small group health policies was affirmed. <u>Insurance Federation of Pennsylvania, Inc. v. Foster</u> . Index rate for one class of business shall not exceed the index rate for any other class of business by more than 20%; for a class of business, the premium rates charged small employers with similar case characteristics shall not vary from the index rate by more than 25% §27-49-6(1,2) |
| Transitional Period    | Effective on the date the reinsurance pool becomes operational §7(10)a  | None   |
| Renewal Rating         | Trend plus 15% plus adjustments to reflect provision of benefits not required to be covered by basic health care plan §7(6)c(8)   | Silent   |
| Renewability           | Guaranteed renewable except "for cause" §7(4)   | Silent   |
| Whole Groups           | Prohibits carriers from excluding individuals on the basis of actual or expected health condition §7(3)   |  |
| Continuity of Coverage | Preexisting condition limitation of 6 months; credit shall be given if the person was covered under a previous group or individual plan if the previous coverage was continuous 30 days prior to the new coverage, exclusive of applicable waiting periods §7(1)(2)       |  |
| Reinsurance Test       | Prospective/with an opt-out §10,11  |  |
| Reinsurance Price      | Existing business: none<br>Whole Group: 150%<br>Individuals: 300% §11(8)a,b   |  |
| Cost Sharing           | \$5,000 plus 15% of the next \$100,000 §11(7)d  |  |
| Assessments            | Maximum assessment is 4% of small employer premium plus 1% of members' total health insurance premiums §11(12)a   |  |
| Other                  |   |  |
| Effective Date         | On or after the date the Oregon Small Employer Reinsurance Pool becomes operational   | February 27, 1991  |

|                        | RHODE ISLAND   | SOUTH CAROLINA  |
|------------------------|--|---|
| Availability           | Guaranteed issue (groups of 3-25) (1992 H 9011 Sub. A)   | Guaranteed issue; basic and standard plans (SBM 541 §6 (4)(a))  |
| Group Size             | 1-50 §27-49-4(AA)  | 2-50 (SBM 541 §6 (A))   |
| Individual Policies    | Generally applies to individual policies sold to small employers. §27-49-4   | Does not apply to individual health policies subject to policy form and premium rate approval §38-71-930(A,B)   |
| Case Characteristics   | Relevant demographics of small employer as considered by carrier in determination of premiums; claims experience, health status, and duration of coverage are not case characteristics §27-49-3(F)   | Age, gender, geography, industry and family composition; claims experience, health status, and duration of coverage are not case characteristics (SBM 541 §15 (5))  |
| Rating Restrictions    | Index rate for one class of business shall not exceed the index rate for any other class of business by more than 20%; for a class of business, the premium rates charged small employers with similar case characteristics shall not vary from the index rate by more than 25% §27-49-6(1,2)    | Actuarial base rate for plans may be adjusted only to reflect case characteristics and family composition within a class of business. Adjustment due to class of business may not exceed 10% of actuarial base rate. (SBM 541 § 20 (A)(1))  |
| Transitional Period    | 3 years §27-49-6(7)  | 3 years (SBM 541 § 20(3))   |
| Renewal Rating         | Trend plus 15% plus changes in case characteristics §27-49-6(3)b   | Trend plus 10% plus changes in case characteristics, family composition. Policies issued before 1/1/95 may also factor claims experience, health status or duration of coverage up to 20% the first year, 10% the second year and 0% after the third year. §38-71-940(A)2(B)                          |
| Renewability           | Guaranteed renewable except "for cause" §27-49-7   | Guaranteed renewable except "for cause" §38-71-950  |
| Whole group            | Carriers are required to take the whole group §27-49-8c(5a)  | Carriers are required to take whole group. (SBM 541 §6 (A)(2))  |
| Continuity of Coverage | Plans must credit the time a person was covered by qualified previous coverage provided the coverage was continuous; qualified previous coverage is defined as Medicare, Medicaid, employer-based health insurance, or individual insurance providing similar or exceeding benefits. §27-49-8(c) | Preexisting condition limitations of 12 months; credit shall be given for time served under a prior plan if the coverage is selected when the person first becomes eligible and the coverage is continuous; service waiting periods are not considered to interrupt; continuous service §38-71-730(4) |
| Reinsurance Type       | Prospective with an opt out §27-49-11  | Prospective/with an opt out (SBM 541 §9)  |
| Reinsurance Price      | Whole Group: 150%<br>Individual: 500% §27-49-11(9)(2)  | Whole group 150%<br>Individual 500% (SBM 541 §11 (1)(2))  |
| Cost Sharing           | First \$5,000 of reinsured claims §27-49-11(9)(4A)   | \$5,000 plus .0% of the next \$50,000 and a cap of \$10,000 per year. (SBM 541 §11 (9)(4)(a))   |
| Assessments            | 5% of total premium earned in small employer market §27-49-11(6)(3c)   | Board shall determine. Insurers may not have an assessment share less than 50% or more than 150% of the proportion of total premium earned the preceding year from small group plans (SBM 541 §11 (K)(2))   |
| Other                  | Standard and economy health benefit plans are included within the law and are based on Rhode Island's low-cost limited mandated benefit law. Copayment, deductibles, and coinsurance are outlined. §27-49-12   |   |
| Effective Date         | July 31, 1992  | January 1, 1992 (SBM 541 effective July 1, 1995)  |

|                        | SOUTH DAKOTA  | TENNESSEE   |
|------------------------|---|---|
| Availability           | Guaranteed issue of standard and basic plans (effective 7/1/96). §58-188  | Guaranteed issue for standard and basic plans §56-7-2208(a) (1992 SB 2578)  |
| Group Size             | 1-25 §58-188-1(12) (1991 SB 229)  | 3-25 §56-7-2203(24)   |
| Individual Policies    | Does not apply to individual health policies subject to policy form and premium rate approval. §58-188-2  | Generally applies to individual policies sold to small employers. Provisions of TCA, Title 56, Chapter 5, Part 3 do not apply to individual policies subject to this law. §56-7-2206(a,b)   |
| Case Characteristics   | No factors other than age, gender, industry, family composition and group size without prior approval of director. Relevant demographics of small employer as considered by carrier in determination of premiums. Claims experience, health status, and duration of coverage are not case characteristics. §58-188-1(4) Industry may be used if the highest rate factor for industry doesn't exceed the lowest industry rate factor by more than 15%. | Relevant demographics of small employer as considered by carrier in determination of premiums; claims experience, health status, and duration of coverage are not case characteristics §56-2203(6)  |
| Rating Restrictions    | Index rate for one class of business shall not exceed the index rate for any other class of business by more than 20%. For a class of business, the premium rates charged small employers with similar case characteristics shall not vary from the index rate by more than 25%. §58-188-3(1,2). Rates for small employer may not exceed the rate for another small employer because of age alone by a factor of 3:1. §58-188                         | Index rate for one class of business shall not exceed the index rate for any other class of business by more than 25%; for a class of business, the premium rates charged small employers with similar case characteristics shall not vary from the index rate by more than 35% §56-7-2209(b) |
| Transitional Period    | 5 years §58-188-3(4)  | 5 years §56-7-2209(b)7  |
| Renewal Rating         | Trend plus 15% plus changes in case characteristics. §58-188-3(5)   | Trend plus 15% plus change in case characteristics §56-7-2209(b)3(8)  |
| Renewability           |   | Guaranteed renewable except "for cause" §56-7-2209(a)3  |
| Whole Groups           | Carriers are required to take whole groups. §58-188-49  | Carriers are required to take whole groups.   |
| Continuity of Coverage |   | Preexisting condition limitation of 12 months; plans shall credit the time person was covered under a previous group health benefit plan if previous coverage was continuous 30 days prior to the new coverage §56-7-2209(a)1,2   |
| Reinsurance Type       |   | Prospective/with an opt-out §56-7-2221(a)   |
| Reinsurance Price      |   | Whole Group: 150%<br>Individuals: 500% §56-7-2221(g)2(c)  |
| Cost Sharing           |   | \$5,000 plus 10% of the next \$50,000 §56-7-2221(g)2(c)   |
| Assessments            |   | Capped at 5% of small employer premiums; formula to be set by board but must be 50% to 150% of carrier's proportional share of all reinsuring carriers' small employer premiums §56-7-2221(h)2,4  |
| Other                  |   | Guaranteed issue requirement suspended if assessment cap is reached §56-7-2221(h)6  |
| Effective Date         | July 1, 1992  | July 1, 1992; January 1, 1993 for preexisting condition and guaranteed renewable provisions   |

|                        | TEXAS  | VERMONT  |
|------------------------|--|--|
| Availability           | Guaranteed issue (9/1/95) §26.21 HB 2055 1993  | Guaranteed issue §4080a(4)d(1)   |
| Group Size             | 3-50 §26.01  | 1-49 §4080a(1)   |
| Individual Policies    | Generally applies to individual policies sold to small employers. §26.06   | May not offer a health benefit plan or insurance policy to individual employees or members of a small group as a means of circumventing the act §4080a(4)h(3)=   |
| Case Characteristics   | Geography, age, gender, industry classification, number of employees and others. Claims experience, health status, medical history or pregnancy are not case characteristics. §26.01   | The following risk classification factors are prohibited: demographic rating, including age and gender, geographic area rating, industry rating, medical underwriting and screening, experience rating, tier rating, or durational rating; Commissioner may by rule permit carriers to use one or more risk classifications §4080a(h)1 |
| Rating Restrictions    | Index rates shall not exceed another class by more than 20%; or within a class by more than 25%. (NAIC rate bands) §26.32  | Premiums may not deviate by more than +/- 20% of the community rate filed by the small employer carrier §4080a(h)2   |
| Transitional Period    | May exceed ranges until 9/1/95.  | In force business will not be subject to the provisions of the Act until the later of the date of renewal, anniversary, or July 1, 1992 §5112(6)b  |
| Renewal Rating         | Trend plus 15%.  | No provision   |
| Renewability           | Guaranteed renewable except "for cause." §26.23  | Must guarantee rates for six months; must guarantee acceptance §4080a(k)   |
| Whole Groups           |  | Carrier must take entire group §4080a(e)4(d)   |
| Continuity of Coverage | Prex may be excluded for 12 months if treatment sought within 6 months prior to coverage. Does not apply if individual was continuously covered for 12 months and only had a gap of 60 days. Credit given for any day coverage in effect during preceding 12 months. May establish waiting period up to 90 days. | Preexisting condition limitation of 12 months; limitation shall be waived if there is evidence of substantially equivalent continuous coverage during previous 9 months §4080a(g)  |
| Reinsurance Type       | Prospective with opt out §26.51-62   | Prospective/mandatory for commercials; participants must guarantee solvency w/out limitation on a pro-rata basis §4080a(o)   |
| Reinsurance Price      | Whole Group: 150%<br>Individual: 500% §26.59   | No provision   |
| Cost Sharing           | \$5,000 plus 10% of the next \$50,000 with a \$10,000 cap per individual per year.   | No provision   |
| Assessments            | \$% cap. Must be 50%-150% of carrier's proportional share of all reinsuring carriers' small employer premium. §26.60   | No provision   |
| Other                  | Guaranteed issue is suspended if assessment cap is reached. Provides three mandated benefit packages which must be offered by 1/1/94; primary and preventive, in-hospital and standard. §26.42   | Participation requirement = 75% of employees; most provisions do not apply to registered carriers who on 1/1/91 and thereafter have written or collected less than \$100,000 in annual gross premiums for group health benefit plans §4080a(1)h(3)1  |
| Effective Date         | September 1, 1993 (offering of the mandated plans does not begin until 1/1/94 and guarantee issue isn't until 9/1/95).   | July 1, 1992   |

## UTAH

|                        |  |
|------------------------|--|
| Availability           | Silent   |
| Group Size             | 1-50 (SBH 158 - 31A-30-103 (15))   |
| Individual Policies    |  |
| Case Characteristics   | Age, gender, industry, geographic area, family composition and group size. Others need commissioner's approval. Duration of coverage, claim experience and health status may not be used. (31A-30-106.1 (d-j))   |
| Rating Restrictions    | Premium rates may not vary from the index rate by more than 25% for the same class of business. Adjustments for claims experience, health status and duration shall be applied uniformly to all members of small employer group. Would allow up to nine different classes of business (31A-30-106.1 (b))   |
| Transitional Period    |  |
| Renewal Rating         |  |
| Renewability           | Guaranteed renewable except "for cause" (31A-30-107.1)   |
| Whole Groups           |  |
| Continuity of Coverage | Preexisting condition limitation of 12 months relating to conditions 6 months before coverage. Waiting periods must be waived for the period of time an individual was previously covered if that coverage was continuous 90 days before effective date of new coverage. The period of continuous coverage may not include a waiting period for the effective date of coverage applied. (31A-30-107.4) |
| Reinsurance Type       |  |
| Reinsurance Price      |  |
| Cost Sharing           |  |
| Assessments            |  |
| Other                  |  |
| Effective Date         | January 1, 1995  |

|                        | VIRGINIA  | WASHINGTON   |
|------------------------|---|--|
| Availability           | Guaranteed issue.* §38.2-3431(D) (4/1/94)   | (1993 SB 5304)   |
| Group Size             | 2-25 for guaranteed issue, 2-49 for other reforms §38.2-3431(B)   | Covers everyone. Employer and individual mandate. Requires residents to purchase a uniform benefit package from a certified health plan by 7/1/99.   |
| Individual Policies    | Extends to include individual policies §38.2-3431(A) (4/1/94)   |  |
| Case Characteristics   | Based on a community rate on carriers combined claims for all groups subject to demographic rating including age, gender and geography. May not use claim experience, health status or duration. (4/1/94)   | Family size and geography.   |
| Rating Restrictions    | Premium rates charged by a small employer may deviate above or below the community rate by no more than 20% for claim experience, health status and duration only during a rating period for such groups within similar demographics for the same or similar coverage. Rating factors, including case characteristics will be applied consistently with respect to all primary small employers in similar demographics. Adjustments in rates for claims experience, health status and duration from issue may not be applied individually.* | Community rating. Must provide benefits of the uniform privilege on a pre-paid per capital community rated premium not to exceed the maximum premium established by the commission and provide benefits through managed care.  |
| Transitional Period    | No provision  |  |
| Renewal Rating         | No provision  |  |
| Renewability           | Guaranteed renewable except: "for cause" §38.2-3432(B)  |  |
| Whole Groups           | Prohibits carriers from excluding individuals because of health status or based upon the nature of the employer's business §38.2-3432(1)(3)   |  |
| Continuity of Coverage | Preexisting condition limitation of 12 months; time shall be credited to a person covered under previous individual or group coverage in the small employer market of equal or greater value if coverage was continuous 30 days prior to new coverage, exclusive of applicable waiting periods. Late enrollees may be excluded for up to 18 months. §38.2-3432(1)(3)  | After 1/1/94, every individual and group disability insurer MCO and health service contract is to waive any pre-existing condition, exclusion or limitation in 3 month period preceding effective date of coverage. If person met a 12 month waiting period in the preceding policy, insurer will waive pre-existing condition limitation. |
| Reinsurance Type       | No provision  |  |
| Reinsurance Price      | No provision  |  |
| Cost Sharing           | No provision  |  |
| Assessments            | No provision  |  |
| Other                  | Standard and essential plans (effective 7/1/93)   |  |
| Effective Date         | April 1, 1994   | Effective 7/1/93 except § 234-257 on 7/1/95 and §301 on 1/1/96.  |

|                        | WEST VIRGINIA  | WISCONSIN  |
|------------------------|--|--|
| Availability           |  | Guaranteed issue (1992 A 655) §635.26  |
| Group Size             | 2-59 §33-160-2   | 2-25 §635.20(12)a  |
| Individual Policies    | Does not apply to individual health policies subject to policy form and premium rate approval. §33-160-3   | Applies to individual policies §635.02(8)  |
| Case Characteristics   | Relevant demographics of small employer as considered by carrier in determination of premiums. Claims experience, health status, and duration of coverage are not case characteristics. §33-160-2  | Relevant demographics of small employer as considered by carrier in determination of premiums; claims experience, health status, and duration of coverage are not case characteristics §6305.05(2)(5), 635.18(4)   |
| Rating Restrictions    | Index rate for one class of business shall not exceed the index rate for any other class of business by more than 20%. For a class of business, the premium rates charged small employers with similar case characteristics shall not vary from the index rate by more than 25%. §33-160-5 | Premium rates for small employer plans with similar case characteristics may not vary from the midpoint rate for those small employers by more than 35% of that midpoint rate §635.05(1)   |
| Transitional Period    | 5 years §33-160-5  | 3 years  |
| Renewal Rating         | Trend plus 15% plus changes in case characteristics. §33-160-5   | Trend plus 15% plus changes in case characteristics §635.05(2)2  |
| Renewability           | Guaranteed renewable except "for cause." §33-160-7   | Guaranteed renewable except "for cause" §635.07  |
| Whole Groups           |  | Insurer must offer coverage to the entire group §635.23(2)   |
| Continuity of Coverage |  | Preexisting condition limitation of 12 months; credit shall be given to individuals who were previously covered by qualifying coverage if the coverage was continuous 30 days prior to the new coverage, exclusive of applicable waiting periods §635.17 |
| Reinsurance Type       |  | Reinsurance type and assessments shall be studied by the Health Insurance Board §635.23  |
| Reinsurance Price      |  | No provision   |
| Cost Sharing           |  | No provision   |
| Assessments            |  | No provision   |
| Other                  |  |  |
| Effective Date         | July 1, 1991   | Day after publication  |

|                        | WYOMING   |
|------------------------|---|
| Availability           | Guaranteed issue §26-19-306   |
| Group Size             | 2-25 §26-19-302(xxii)   |
| Individual Policies    | Does not apply to individual policies which are subject to approval for policy form. §26-19-303   |
| Case Characteristics   | Relevant demographics of small employer as considered by carrier in determination of premiums; claims experience, health status, and duration of coverage are not case characteristics<br>§26-19-302(vi)  |
| Rating Restrictions    | Index rate for one class of business shall not exceed the index rate for any other class of business by more than 20%; for a class of business, the premium rates charged small employers with similar case characteristics shall not vary from the index rate by more than 25%<br>§26-19-306   |
| Transitional Period    | 3 years §26-19-304(a)viii   |
| Renewal Rating         | Trend plus 15% plus changes in case characteristics<br>§26-19-304(a)iii(B)  |
| Renewability           | Guaranteed renewable except "for cause" §26-19-305  |
| Whole Groups           | Insurers are required to offer coverage to the entire group<br>§26-19-306(cvi)  |
| Continuity of Coverage | Preexisting condition limitation of 12 months; credit shall be given for time person was previously covered if previous coverage was continuous 30 days prior to new coverage, exclusive of applicable waiting periods, or for a person who become unemployed and are provided coverage if the person obtains employment and coverage within 60 days §26-19-306(c)i |
| Reinsurance Type       | Prospective/mandatory §26-19-307  |
| Reinsurance Price      | Whole Group: 150%<br>Individuals: 500% §26-19-307(k)i,ii  |
| Cost Sharing           | \$5,000 §26-19-307(l)x,v  |
| Assessments            | Not to exceed 5% of the total small group premiums<br>§26-19-307(n)A  |
| Other                  |   |
| Effective Date         | No earlier than March 31, 1993  |

\* This is an outline of passed legislation. For a full understanding of the enactments, the text of the statutes cited should be consulted. This should not be used as a sole source.

### COMPREHENSIVE SMALL EMPLOYER PACKAGES

|                        | HIAA  | NAIC   |
|------------------------|---|--|
| Availability           | Guaranteed issue  | Guaranteed issue (groups of 1 to ___) of all health benefit plans actively marketed to small employers in the state.   |
| Group Size             | 2-50  | 1-   |
| Individual Policies    | Individual policies sold to small employer subject to Act; however, if state has effective rate regulation, the rating requirements do not apply. Group coverage should not extend to one-life groups.  | Does apply to individual policies sold to small employers; although drafting note says that states may wish to consider exempting individual health policies from the rating provisions.   |
| Case Characteristics   | Modified community rating: family composition, geography, age, gender, size of employer, health improving behaviors, and other objective criteria; Rate variation based on health status, claims experience or any other factor is permitted, subject to strict limitations.  | Small employer carriers may not use case characteristics other than geographic area, family composition, and age.  |
| Rating Restrictions    | Premium rates for small employer plans with similar case characteristics may not vary by more than +/- 25 percent from the modified community rate.   | Age bracket must be at least in 5 year increments for ages 30-65 (separate rates allowed for those over 65). Adjustments to rates cannot be more than 400% of the lowest rate for all age groups for the first 2 years, 300% in the 3rd and 4th years and 200% after 5 years. ** These limitations are only one of several viable approaches. **<br><br>Premiums may not be adjusted more than annually to reflect changes in enrollment, family composition or the health benefit plan requested by the employer.                                 |
| Transitional Period    | 3 years   | 5 years  |
| Renewal Rating         | Trend plus 1% plus changes in case characteristics  | Trend  |
| Renewability           | Guaranteed renewable except "for cause"   | Guaranteed renewable except "for cause"  |
| Whole Groups           | Carriers must take the entire group   | Carriers must take the entire group.   |
| Continuity of Coverage | No pre-existing condition exclusions if coverage is continuous (has not lapsed more than 60 days), otherwise a 12 month exclusion is allowed. Up to an 18-month pre-existing condition exclusion may be imposed on late entrants if coverage has lapsed more than 60 days or if condition was not covered under prior coverage. | Plans may not deny, exclude or limit benefits for losses incurred more than 6 months due to a preexisting condition. Plans must credit the time a person was covered by qualified previous coverage provided the coverage was continuous at least 90 days prior to effective date; qualified previous coverage is defined as Medicare, Medicaid, employer-based health insurance, or individual insurance providing similar or exceeding benefits. Waiting periods for preexisting conditions of up to 12 months may be applied to late enrollees. |
| Reinsurance Type       | Prospective/mandatory   | Individual states will determine whether to make participation in reinsurance mandatory or voluntary.  |
| Reinsurance Price      | Whole Group: 150%<br>Individual: 500%   | Whole Group: 150%<br>Individual: 500%  |
| Cost Sharing           | None  | First \$5000 of reinsured claims plus 10% of next \$50,000   |
| Assessments            | 4% of the premium of small employer market net of reinsurance premiums paid   | 5% of the premium of the small employer market   |
| Other                  | Carriers may reinsure existing business and new risks   |  |
| Effective Date         |   |  |

**SENATE COMMITTEE REI RT**  
**First Committee of Referral**

DATE: 5/9/95

FURTHER: Finance

Date of 5-Day Notice: 1/3/96  
 (in accordance with Uniform Rule 23)

DATE TURNED  
 INTO OFFICE: 1/10/96

Labor and Commerce      Committee considered      SB 178

Small employer health insurance.

*For action*

and recommends:

- be replaced with \_\_\_\_\_ CS \_\_\_\_\_
- adopt previous \_\_\_\_\_ CS \_\_\_\_\_
- attached amendment(s)
- adopt Letter of Intent by \_\_\_\_\_ Committee
- further referral to the \_\_\_\_\_ Committee

Senate Bill:  
 same title  
 new title  
 House Bill:  
 same title  
 technical title  
 new: SCR# \_\_\_\_\_

| SIGNING DO PASS         | DP                                  | OTHER RECOMMENDATIONS    | NR                                  | DNP | AM |
|-------------------------|-------------------------------------|--------------------------|-------------------------------------|-----|----|
| <i>Hank Myler</i>       | <input checked="" type="checkbox"/> | <i>John</i>              | <input checked="" type="checkbox"/> |     |    |
| <i>John Ferguson</i>    | <input checked="" type="checkbox"/> | <i>Adrian &amp; Said</i> | <input checked="" type="checkbox"/> |     |    |
|                         |                                     |                          |                                     |     |    |
|                         |                                     |                          |                                     |     |    |
| CHAIR: <i>Tim Kelly</i> | <input checked="" type="checkbox"/> |                          |                                     |     |    |

**NEW FISCAL NOTE(S):**

Department      Date      Zero      Fiscal

| Department  | Date          | Zero     | Fiscal |
|-------------|---------------|----------|--------|
| <i>DCED</i> | <i>1/4/96</i> | <i>X</i> |        |
|             |               |          |        |
|             |               |          |        |
|             |               |          |        |
|             |               |          |        |

**PREVIOUS FISCAL NOTE(S):\***

Department      Date      Zero      Fiscal

| Department | Date | Zero | Fiscal |
|------------|------|------|--------|
|            |      |      |        |
|            |      |      |        |
|            |      |      |        |
|            |      |      |        |
|            |      |      |        |

APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill