

I_132_1097-6

132nd General Assembly
Regular Session
2017-2018

Sub. H. B. No. 450

A BILL

To amend sections 103.144 and 3901.88 and to enact
sections 101.88, 101.881, 103.147, 3701.36,
3701.361, 3901.881, 3901.882, 3901.883, and
3901.884 of the Revised Code to impose review
and other requirements on existing health
insurance mandated benefits and to establish
requirements for the creation of new mandated
benefits.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 103.144 and 3901.88 be amended
and sections 101.88, 101.881, 103.147, 3701.36, 3701.361,
3901.881, 3901.882, 3901.883, and 3901.884 of the Revised Code
be enacted to read as follows:

Sec. 101.88. (A) Beginning on the effective date of this
section, no mandated benefit shall be enacted unless all of the
following are true:

(1) During the calendar year preceding the mandated
benefit's effective date, the consumer price index measure for



2v7rqumu3puk38y9wjxuu8

medical care services is equal to or below the consumer price 18
index measure for all items, as determined by the United States 19
bureau of labor statistics. 20

(2) The department of insurance has completed the report 21
required in section 3901.883 of the Revised Code. 22

(3) It can be determined that the mandated benefit has not 23
increased premium costs in other states that may have enacted a 24
mandated benefit that is substantially similar to the proposed 25
one. 26

(4) The sponsor of the bill has submitted to the 27
chairperson and ranking minority member of any legislative 28
committee to which the bill containing the mandated benefit has 29
been referred, proof that other possible alternative approaches 30
to addressing the alleged lack of insurance coverage for a 31
particular health care product or service that is the subject of 32
a proposed new health care mandated benefit have been 33
considered, accompanied by a list of these alternative 34
approaches. 35

(5) The mandated benefit also applies to all of the 36
following, beginning on the effective date of the statute 37
establishing the mandated benefit: 38

(a) Public employee benefit plans; 39

(b) Medicaid fee-for-service and managed care plans; 40

(c) Any other health plans funded by this state. 41

(B) This section shall not be construed as supplanting or 42
replacing section 3901.71 of the Revised Code. The requirements 43
of this section shall be met in addition to those imposed by 44
section 3901.71 of the Revised Code. 45

Sec. 101.881. If a health care mandated benefit requires a benefit in addition to the essential health benefits specified under 42 U.S.C. 18022(b), this state shall assume the cost of the additional benefit in accordance with 42 U.S.C. 18031(d)(3)(B).

Sec. 103.144. As used in sections 103.144 to ~~103.146~~
103.147 of the Revised Code:

(A) "Mandated benefit" means the following, when considered in the context of a sickness and accident insurance policy or a health insuring corporation policy, contract, or agreement:

(1) Any required coverage for a specific medical or health-related service, treatment, medication, or practice;

(2) Any required coverage for the services of specific health care providers;

(3) Any requirement that an insurer or health insuring corporation offer coverage to specific individuals or groups;

(4) Any requirement that an insurer or health insuring corporation offer specific medical or health-related services, treatments, medications, or practices to existing insureds or enrollees;

(5) Any required expansion of, or addition to, existing coverage;

(6) Any mandated reimbursement amount to specific health care providers.

(B) "Mandated benefit" does not include any required coverage or offer of coverage, any required expansion of, or addition to, existing coverage, or any mandated reimbursement

amount to specific providers, as described in division (A) of 74
this section, within the context of any public health benefits 75
arrangement, including but not limited to, the coverage of 76
beneficiaries enrolled in medicare pursuant to a medicare risk 77
contract or medicare cost contract, or to the coverage of 78
beneficiaries enrolled in medicaid. 79

Sec. 103.147. (A) If a bill introduced in the general 80
assembly contains a mandated benefit, the legislative service 81
commission shall prepare a mandate analysis of the bill. 82

(B) The mandate analysis shall be completed prior to both 83
of the following: 84

(1) The bill being recommended for passage by the house 85
committee or senate committee of the general assembly to which 86
the bill was referred; 87

(2) The bill being taken up for final consideration by 88
either house of the general assembly. 89

(C) A mandate analysis required under this section shall 90
contain all of the following: 91

(1) A determination of whether or not the consumer price 92
index measure for medical care services is equal to or below the 93
consumer price index measure for all items for the appropriate 94
calendar year as required under division (A) (1) of section 95
101.88 of the Revised Code; 96

(2) A copy of the report produced by the department of 97
insurance, as required under section 3901.883 of the Revised 98
Code; 99

(3) A determination of whether or not the mandated benefit 100
has increased premium costs in other states as required under 101

division (A) (3) of section 101.88 of the Revised Code; 102

(4) A copy of the information the sponsor of the bill is 103
required to complete under division (A) (4) of section 101.88 of 104
the Revised Code; 105

(5) A determination of whether or not the bill contains 106
language that ensures it complies with division (A) (5) of 107
section 101.88 of the Revised Code. 108

(D) (1) The legislative service commission shall distribute 109
copies of the mandate analysis in accordance with either of the 110
following: 111

(a) With regard to the deadline prescribed in division (B) 112
(1) of this section, the commission shall submit two copies to 113
the chairperson, as well as a copy to each member of the 114
committee, of either the house or senate rules committee or the 115
standing committee to which the bill has been referred; 116

(b) With regard to the deadline prescribed in division (B) 117
(2) of this section, the commission shall submit a copy to each 118
member of the house that is considering the bill. 119

(2) The commission also shall provide a copy of the 120
analysis to any member who introduces a bill containing a 121
mandated benefit who does not receive a copy of the analysis 122
under division (D) (1) (a) of this section. 123

Sec. 3701.36. (A) There is hereby created the health care 124
mandated benefits review committee consisting of seven members 125
appointed by the director of health. All members shall be 126
actively practicing physicians licensed in Ohio who are experts 127
in evidence-based medicine. 128

(B) The director shall make initial appointments to the 129

committee not later than one year after the effective date of 130
this section. Of the initial appointments, one shall be for a 131
term ending one year after appointment, two shall be for a term 132
ending two years after appointment, two shall be for a term 133
ending three years after appointment, and two shall be for a 134
term ending four years after appointment. Thereafter, terms of 135
office shall be for four years, with each term ending on the 136
same day of the same month as did the term that it succeeds. 137

(C) Each member shall hold office from the date of the 138
member's appointment until the end of the term for which the 139
member was appointed. Members may be reappointed. 140

(D) Vacancies shall be filled in the same manner provided 141
for original appointments. Any member appointed to fill a 142
vacancy occurring prior to the expiration date of the term for 143
which the member's predecessor was appointed shall hold office 144
as a member for the remainder of that term. 145

(E) A member shall continue in office subsequent to the 146
member's term until the member's successor takes office or until 147
a period of sixty days has elapsed, whichever occurs first. 148

(F) The committee shall first meet not later than thirty 149
days after the final appointment to the committee has been made 150
to choose a chairperson and to establish a schedule for mandated 151
benefits review in accordance with section 3701.361 of the 152
Revised Code. Four members of the committee constitute a quorum 153
to conduct committee business. 154

(G) The director of health shall furnish clerical, 155
technical, legal, and other services required by the committee 156
in the performance of its duties. 157

(H) The director of health shall adopt rules as necessary 158

to carry out the requirements of this section and of section 159
3701.361 of the Revised Code. 160

Sec. 3701.361. (A) The health care mandated benefits 161
review committee established in section 3701.36 of the Revised 162
Code shall undertake and be limited to regular review of all 163
existing health care mandated benefits. The review shall do all 164
of the following: 165

(1) Examine the ongoing clinical efficacy of each mandated 166
benefit; 167

(2) Identify any mandated benefit that is no longer 168
clinically necessary or effective; 169

(3) Recommend to the general assembly whether each 170
mandated benefit should remain in statute as is or be repealed. 171

(B) The committee shall author a report of its findings 172
and submit the report electronically to the governor, the 173
president of the senate, the speaker of the house of 174
representatives, and the superintendent of insurance. The 175
committee shall submit its initial report not later than two 176
years after the effective date of this section and shall submit 177
a subsequent report every seven years thereafter. 178

Sec. 3901.88. (A) As used in sections 3901.88 to 3901.884 179
of the Revised Code: 180

(1) "Health benefit plan" has the same meaning as in 181
section 3924.01 of the Revised Code and also includes public 182
employee benefit plans and medicaid plans. 183

(2) "Mandated benefit" has the same meaning as in section 184
103.144 of the Revised Code, and applies to individual and group 185
health benefit plans not subject to the "Employee Retirement 186

Income Security Act of 1974," 29 U.S.C. 1001, et seq. 187

"Mandated benefit" does not include any coverage required 188
under federal law, such as under medicaid or the federal 189
employees health benefits program. 190

(B) The superintendent of insurance shall conduct an 191
actuarial study on the costs of all health care ~~mandates~~ 192
~~mandated benefits~~ under state law ~~that apply to individual and~~ 193
~~group health insurance plans that are not subject to the~~ 194
~~"Employee Retirement Income Security Act of 1974," 29 U.S.C.~~ 195
~~1001, et seq. This~~ The study shall calculate the costs of 196
mandated benefits in both of the following manners: 197

(1) In actual dollars; 198

(2) As a percentage of total health care premiums paid by 199
any purchaser of any individual or group health benefit plan. 200

(C) The study described in division (B) of this section 201
shall be delivered electronically to the governor, the senate 202
president, and the speaker of the house with updated information 203
at least once every five calendar years, beginning not later 204
than ~~two years~~ after the effective date of this section January 205
1, 2024. The superintendent shall simultaneously also make a 206
copy of the most recent study described in division (B) of this 207
section available to the public on the department of insurance's 208
web site. 209

Sec. 3901.881. The superintendent of insurance shall 210
compile and make available to the public on the department of 211
insurance's web site a list of all health care mandated benefits 212
contained in the Revised Code. The list shall be updated not 213
less than once a year. 214

Sec. 3901.882. (A) Each health benefit plan premium 215

invoice or statement sent by an insurance carrier to any 216
purchaser of any individual or group health benefit plan shall 217
identify all health care mandated benefits covered under the 218
plan. The notice shall include both of the following: 219

(1) Language substantially similar to the following: 220

"The State of Ohio mandates certain benefits be included 221
as part of every health benefit plan offered in Ohio, regardless 222
of whether plan participants need or use these benefits. While 223
mandating coverage for these benefits may reduce health care 224
costs in the long term, the cost of your health insurance 225
premium may be higher due to these mandated benefits. 226

If you are concerned about how these mandated benefits 227
impact the cost of your health insurance premium, please contact 228
your state legislator." 229

(2) A copy of the list of all health care mandated 230
benefits required under section 3901.881 of the Revised Code or 231
a link to the list on the department of insurance's web site. 232

(B) Not later than April 6, 2019, the notice in division 233
(A) of this section shall also include information about the 234
costs of health care mandated benefits as calculated in the most 235
recent actuarial study conducted pursuant to division (B) of 236
section 3901.88 of the Revised Code. The notice shall cite the 237
information required under division (B) (2) of section 3901.88 of 238
the Revised Code and include language substantially similar to 239
the following: 240

"An actuarial study conducted by the Ohio Department of 241
Insurance estimated that your health insurance premiums might be 242
lower by as much as the amount included in this notice were 243
these benefits not required." 244

Sec. 3901.883. On and after the effective date of this 245
section, for every bill considered by the general assembly that 246
contains a health care mandated benefit, the department of 247
insurance shall complete a report identifying which market 248
segments the bill would apply to and which it would not, along 249
with an approximate number and percentage of Ohioans that would 250
be covered by the proposed mandated benefit by market segment, 251
and deliver the report to the chairperson and ranking minority 252
member of any legislative committee to which the bill containing 253
the mandated benefit has been referred. 254

Sec. 3901.884. The superintendent of insurance shall adopt 255
rules in accordance with Chapter 119. of the Revised Code as 256
necessary to implement the provisions of sections 3901.88 to 257
3901.884 of the Revised Code. 258

Section 2. That existing sections 103.144 and 3901.88 of 259
the Revised Code are hereby repealed. 260