

As Introduced

132nd General Assembly

Regular Session

2017-2018

H. B. No. 450

Representative Antani

Cosponsors: Representatives Becker, Lang, Thompson

A BILL

To amend section 3901.88 and to enact sections 1
3901.881, 3901.882, 3901.883, 3901.884, 2
3901.886, 3901.887, and 3901.888 of the Revised 3
Code to impose review and other requirements on 4
existing health insurance mandated benefits and 5
to establish requirements for the creation of 6
new mandated benefits. 7

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

Section 1. That section 3901.88 be amended and sections 8
3901.881, 3901.882, 3901.883, 3901.884, 3901.886, 3901.887, and 9
3901.888 of the Revised Code be enacted to read as follows: 10

Sec. 3901.88. (A) As used in sections 3901.88 to 3901.888 11
of the Revised Code: 12

(1) "Health benefit plan" has the same meaning as in 13
section 3924.01 of the Revised Code and also includes public 14
employee benefit plans and medicaid plans. 15

(2) "Mandated benefit" has the same meaning as in section 16
103.144 of the Revised Code, and applies to individual and group 17
health insurance plans not subject to the "Employee Retirement 18

Income Security Act of 1974," 29 U.S.C. 1001, et seq. 19

"Mandated benefit" does not include any coverage required 20
under federal law, such as under medicaid or the federal 21
employees health benefits program. 22

(B) The superintendent of insurance shall conduct an 23
actuarial study on the costs of all health care ~~mandates~~ 24
~~mandated benefits~~ under state law ~~that apply to individual and~~ 25
~~group health insurance plans that are not subject to the~~ 26
~~"Employee Retirement Income Security Act of 1974," 29 U.S.C.~~ 27
~~1001, et seq. This~~ The study shall calculate the costs of 28
mandated benefits in both of the following manners: 29

(1) In actual dollars; 30

(2) As a percentage of total health care premiums paid by 31
any purchaser of any individual or group health benefit plan. 32

(C) The study described in division (B) of this section 33
shall be delivered electronically to the governor, the senate 34
president, and the speaker of the house with updated information 35
at least once every five calendar years, beginning not later 36
than two years after ~~the effective date of this section~~ April 6, 37
2017. The superintendent shall simultaneously also make a copy 38
of the most recent study described in division (B) of this 39
section available to the public on the department of insurance's 40
web site. 41

Sec. 3901.881. The superintendent of insurance shall 42
submit a report summarizing all health care mandated benefits 43
contained in the Revised Code. The report shall be delivered 44
electronically to the governor, the president of the senate, and 45
the speaker of the house of representatives not later than one 46
year after the effective date of this section and annually 47

thereafter. 48

Sec. 3901.882. (A) Each health benefit plan premium 49
invoice or statement sent by an insurance carrier to any 50
purchaser of any individual or group health benefit plan shall 51
identify all health care mandated benefits covered under the 52
plan. The notice shall include both of the following: 53

(1) Language substantially similar to the following: 54

"The cost of your health insurance premium may be higher 55
due to mandated benefits that are required by the State of Ohio 56
to be included as part of every health insurance plan offered in 57
Ohio, regardless of whether plan participants need or use these 58
benefits. The mandated benefits are listed in the enclosed 59
document. 60

If you are concerned about how these mandated benefits 61
increase the cost of your health insurance premium, please 62
contact your state legislator." 63

(2) A copy of the list of all health care mandated 64
benefits from the report required under section 3901.881 of the 65
Revised Code. 66

(B) Not later than April 6, 2019, the notice in division 67
(A) of this section shall also include information about the 68
costs of health care mandated benefits as calculated in the most 69
recent actuarial study conducted pursuant to division (B) of 70
section 3901.88 of the Revised Code. The notice shall cite the 71
information required under division (B)(2) of section 3901.88 of 72
the Revised Code and include language substantially similar to 73
the following: 74

"An actuarial study conducted by the Ohio Department of 75
Insurance estimated that your health insurance premiums might be 76

lower by as much as the amount included in this notice were 77
these benefits not required." 78

Sec. 3901.883. (A) There is hereby created the health care 79
mandated benefits review committee consisting of seven members 80
appointed by the department of insurance. All members shall be 81
experts in evidence-based medicine. 82

(B) The department shall make initial appointments to the 83
committee not later than one year after the effective date of 84
this section. Of the initial appointments, one shall be for a 85
term ending one year after appointment, two shall be for a term 86
ending two years after appointment, two shall be for a term 87
ending three years after appointment, and two shall be for a 88
term ending four years after appointment. Thereafter, terms of 89
office shall be for four years, with each term ending on the 90
same day of the same month as did the term that it succeeds. 91

(C) Each member shall hold office from the date of the 92
member's appointment until the end of the term for which the 93
member was appointed. Members may be reappointed. 94

(D) Vacancies shall be filled in the manner provided for 95
original appointments. Any member appointed to fill a vacancy 96
occurring prior to the expiration date of the term for which the 97
member's predecessor was appointed shall hold office as a member 98
for the remainder of that term. 99

(E) A member shall continue in office subsequent to the 100
member's term until the member's successor takes office or until 101
a period of sixty days has elapsed, whichever occurs first. 102

(F) The committee shall first meet not later than thirty 103
days after the final appointment to the committee has been made 104
to choose a chairperson and to establish a schedule for mandated 105

benefits review in accordance with section 3901.884 of the 106
Revised Code. Four members of the committee constitute a quorum 107
to conduct committee business. 108

Sec. 3901.884. (A) The health care mandated benefits 109
review committee established in section 3901.883 of the Revised 110
Code shall undertake and be limited to regular review of all 111
existing health care mandated benefits. The review shall do all 112
of the following: 113

(1) Examine the ongoing clinical efficacy of each mandated 114
benefit; 115

(2) Identify any mandated benefit that is no longer 116
clinically necessary or effective; 117

(3) Recommend to the general assembly whether each 118
mandated benefit should remain in statute as is or be repealed. 119

(B) The committee shall author a report of its findings 120
and submit the report electronically to the governor, the 121
president of the senate, and the speaker of the house of 122
representatives. The committee shall submit its initial report 123
not later than two years after the effective date of this 124
section and shall submit a subsequent report every seven years 125
thereafter. 126

Sec. 3901.886. (A) Beginning on the effective date of this 127
section, no mandated benefit shall be enacted unless all of the 128
following are true: 129

(1) During the calendar year preceding the mandated 130
benefit's effective date, the consumer price index measure for 131
medical care services is equal to or below the consumer price 132
index measure for all items, as determined by the United States 133
bureau of labor statistics. 134

(2) The department of insurance has completed the report 135
required in division (B) of this section. 136

(3) At least five other states have enacted a mandated 137
benefit that is substantially similar to the proposed one and it 138
can be determined that the mandated benefit has not increased 139
premium costs in these states. 140

(4) The mandated benefit also applies to all of the 141
following, beginning on the effective date of the statute 142
establishing the mandated benefit: 143

(a) Public employee benefit plans; 144

(b) Medicaid fee-for-service and managed care plans; 145

(c) Any other health plans funded by this state. 146

(B) The department of insurance shall complete a report 147
pertaining to each new proposed mandated benefit and deliver the 148
report to the chairperson and ranking minority member of any 149
legislative committee to which the bill containing the mandated 150
benefit has been referred. The report shall contain both of the 151
following: 152

(1) Alternative approaches to addressing the alleged lack 153
of insurance coverage for a particular health care product or 154
service that is the subject of a proposed new health care 155
mandated benefit; 156

(2) Any gaps in insurance coverage that would still exist 157
should the proposed health care mandated benefit be enacted into 158
law. 159

Sec. 3901.887. If a health care mandated benefit requires 160
a benefit in addition to the essential health benefits specified 161
under 42 U.S.C. 18022(b), this state shall assume the cost of 162

the additional benefit in accordance with 42 U.S.C. 18031(d)(3) 163

(B). 164

Sec. 3901.888. The superintendent of insurance shall adopt 165

rules in accordance with Chapter 119. of the Revised Code as 166

necessary to implement the provisions of sections 3901.88 to 167

3901.887 of the Revised Code. 168

Section 2. That existing section 3901.88 is hereby 169

repealed. 170