

Legislative Analysis



HEALTH INSURERS: ESTIMATE IMPACT OF AFFORDABLE CARE ACT ON POLICY PREMIUMS

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House Bill 4816 (Substitute H-2)

Sponsor: Rep. Mike Shirkey

Committee: Insurance

Complete to 11-26-13

A REVISED SUMMARY OF HOUSE BILL 4816 AS REPORTED FROM COMMITTEE

The bill would amend the Insurance Code to require health insurers and health maintenance organizations (HMOs) to provide an estimate, in a written or electronic format, of the impact on policy premiums, by business line, attributable to the federal Patient Protection and Affordable Care Act. The requirement would begin March 1, 2014, and continue through December 31, 2018.

The estimate would have include the impact attributable to taxes, assessments, and other requirements of that act and could include other factors. Further, the insurer or HMO would have to include the following statement with the estimate:

This portion of the premium is attributable to the federal Patient Protection and Affordable Care Act and not the enactment of any laws, rules, or regulations of the Michigan governor, the Michigan legislature, or the Department of Insurance and Financial Services.

The bill contains two enacting sections. The first says the bill does not authorize and should not be construed to authorize the establishment or operation of an American health benefit exchange for the state under the federal law. The second says the bill applies to policies, certificates, and contracts delivered, issued, or renewed in the state on or after the bill's effective date.

FISCAL IMPACT:

The bill would have no significant fiscal impact on the Department of Insurance and Financial Services (DIFS).

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