

**BEFORE THE COMMISSIONER OF INSURANCE**

**STATE OF GEORGIA**

**IN THE MATTER OF:**

**CHAPTER 120-2-99  
SALE OF INDIVIDUAL HEALTH  
INSURANCE PRODUCTS APPROVED  
IN OTHER STATES**

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**DOCKET NUMBER I-11-R-3**

**ORDER**

**I. STATEMENT OF PROCEEDINGS**

On September 30, 2011, Notice of Intent to Adopt Rule Changes And Notice of Hearing was given regarding the proposed adoption of Regulation Chapter 120-2-99 titled “Sale of Individual Health Insurance Products Approved in Other States” (Record, Exhibit 1). The proposed regulation was created pursuant to language in Article III, Chapter 29A of Title 33 which directs the Commissioner to adopt implementing rules and regulations to govern the filing, approval, and sale of individual health insurance products that have been approved for issuance in other states.

By letter dated November 1, 2011, the Office of the Attorney General opined that the proposed regulation was within this office’s scope of authority (Record, Exhibit 5). Pursuant to O.C.G.A. §50-13-4(e), the proposed regulation was transmitted to Wayne R. Allen, Legislative Counsel for the General Assembly, for assignment to the appropriate standing committees of the Senate and House of Representatives (Record, Exhibits 6 and 7).

Interested persons were given the opportunity to participate in the proposed rulemaking by submitting their written comments by November 1, 2011, and by making oral comments at the

public hearing held November 8, 2011. One written submission of comments was offered by Sherry Call, a Vice-President of Blue Cross and Blue Shield of Georgia (“BCBSGA”). No one from BCBSGA was present at the hearing. Tom Carswell, the Assistant Director of the Insurance Product Review Division of this office, was the only person to offer oral comments at the hearing.

According to Mr. Carswell, House Bill 47 became widely known as the “across state lines legislation.” The law was signed into law earlier this year and added a new Article [III] to Title 33, Chapter 29A. The proposed regulation would implement this law and create a regulatory framework allowing Georgia health insurance carriers to issue individual health insurance products approved in another state. A significant component of the proposed regulation is its consumer disclosure requirements. These requirements will increase Georgia consumers’ understanding of how health products approved in other states compare with products historically approved in Georgia. The proposed regulation also clarifies insurer filing requirements.

## **II. CONSIDERATION OF INTERESTED PARTY COMMENTS**

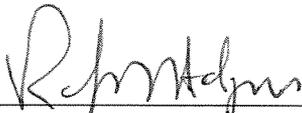
BCBSGA requests that “affiliate” and “equivalent benefits” be defined in the proposed regulation and that the Department clarify whether the proposed regulation requires disclosure forms to accompany each option if an insurer offers multiple plan designs on a single application form. Additionally, BCBSGA requests the removal of any state mandate from the list of mandates accompanying the proposed regulation if such mandate is also mandated under federal standards.

### III. DECISION

This office has given careful consideration to BCBSGA's requests for changes to the proposed regulation but determined that such changes are not necessary. Personnel from this office will be available to provide guidance to insurers making filings pursuant to the proposed regulation and making the kinds of queries posited by BCBSGA herein.

This office finds Mr. Carswell's comments in support of the proposed regulation persuasive. **WHEREFORE, IT IS HEREBY ORDERED** that Regulation Chapter 120-2-99 titled, "Sale of Individual Health Insurance Products Approved in Other States," a copy of which is attached hereto and made a part hereof by reference, is adopted.

Given under my Hand and Official Seal this 17th day of November, 2011.

  
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RALPH T. HUDGENS  
INSURANCE AND SAFETY FIRE COMMISSIONER  
STATE OF GEORGIA