

COMMITTEE ON INSURANCE

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HB 2002 (Chapter 358): insurance premium tax reduction

Modifies the tax rate reductions for all insurance premiums other than fire, health service, and disability insurance. Effective: August 6, 2016.

Click [here](#) for the bill history.

HB 2129 (Chapter 180): uninsured and underinsured motorist coverage

Asserts an insurance producer's offering of uninsured motorist and underinsured motorist coverage satisfies the insurance producer's standard of care in offering and explaining the nature and applicability of coverage. Effective: August 6, 2016.

Click [here](#) for the bill history.

HB 2144 (Chapter 37): genetic testing; informed consent

Allows a person who is authorized to consent for a genetic test to release the results of that test and requires a person to receive the appropriate written informed consent prior to ordering a genetic test. Effective: August 6, 2016.

Click [here](#) for the bill history.

HB 2149 (Chapter 38): domestic surplus lines insurance; fees

Permits domestic insurers to be designated as a domestic surplus lines insurer for the purposes of writing surplus lines insurance and directs a domestic surplus lines insurer to only write surplus lines insurance in this state. Outlines the disclosure notice regarding non-domestic surplus lines insurance and domestic surplus lines insurance. Exempts surplus lines insurance issued in this state from statutory requirements in relation to the insurance rating and rating plans, policy forms and cancellation and nonrenewal in the same manner as a surplus lines insurer domiciled in another state. Effective: August 6, 2016.

Click [here](#) for the bill history.

HB 2188 (Chapter 51): insurance; risk management; solvency assessment

Adopts the Own Risk and Solvency Assessment (ORSA) model law as developed by the National Association of Insurance Commissioners requiring an insurer to maintain a risk management framework, conduct an ORSA, and file an ORSA summary report. Provides an exemption from ORSA if certain requirements are met. Effective: January 1, 2017.

Click [here](#) for the bill history.

HB 2238 (Chapter 65): identity theft group policies; insurance

Enables insurers to issue Identity Theft Group Insurance Policies and establishes certain parameters for issuance. Effective: August 6, 2016.

Click [here](#) for the bill history.

HB 2239 (Chapter 360): premium tax credit; reciprocal insurers

Assigns a reciprocal insurer and its attorney-in-fact as the same entity for the purposes of calculating the premium tax credit for new employment and continues the tax credit indefinitely. Effective: January 1, 2016.

Click [here](#) for the bill history.

HB 2240 (Chapter 186): workers' compensation; modifications

Entitles any interested party regarding a hearing for a worker's compensation claim to one administrative law judge change as a matter of right by filing a notice of change. Requires interest on the payment of benefits be paid at 10% or at the rate that is equal to 1% plus the prime rate as published by the Board of Governors of the Federal Reserve System, whichever is less. Effective: August 6, 2016.

Click [here](#) for the bill history.

HB 2306 (Chapter 100): healthcare providers; family members; coverage

Requires all contracts, policies, or any evidence of coverage, issued, delivered or renewed after July 1, 2017 by a corporation, or health care services organization, disability insurer, or group or blanket disability insurer to provide coverage for lawful health care services that are provided by a health care provider regardless of the familial relationship of the health care provider and the subscriber, insured, or enrollee, if the health care service would be covered were it provided to a person who is not related to the health care provider. Effective: August 6, 2016.

Click [here](#) for the bill history.

HB 2342 (Chapter 101): insurance; licensed entities

Prohibits an authorized insurer from issuing a policy unless the policy declaration page or endorsement identifies the name of the producer licensed for that line of authority in this state. Requires an insurance producer to update any changes in the licensee's email address. Modifies the definition of *vendor* regarding portable electronics insurance. Effective: August 6, 2016.

Click [here](#) for the bill history.

HB 2445 (Chapter 363): motor vehicle insurance; nonrenewal

Permits an auto insurer to non-renew a policy provided that a notice of non-renewal for reasons other than nonpayment of the premium is mailed to the insured at least 45 days prior to the effective date of non-renewal. Specifies that an insurance producer is prohibited from inquiring on whether an applicant has been non-renewed by an insurer. Effective: August 6, 2016.

Click [here](#) for the bill history.

HB 2553 (Chapter 201): insurance; risk retention groups

Prescribes rules and regulations for state-licensed risk retention groups. Effective: August 6, 2016.

Click [here](#) for the bill history.

HB 2692 (Chapter 303): insurance; pharmacy benefits; audit procedures

Establishes procedures and reporting requirements for pharmacy audits. Effective: August 6, 2016. The requirements apply to contracts entered into or renewed and audits initiated after January 1, 2017.

Click [here](#) for the bill history.

SB 1363 (Chapter 278): insurance coverage; telemedicine

Requires, beginning January 1, 2018, a health service corporation, a health care services organization, a disability insurer, or a group or blanket disability insurer to provide the required

insurance coverage for health care services that are administered through telemedicine to services received in this state and adds pulmonology as a covered health care service. Effective: January 1, 2018.

Click [here](#) for the bill history.

SB 1428 (Chapter 2): PSPRS modifications

Creates a new retirement benefit structure for public safety personnel hired on or after 7/1/2017 (Tier III) with two options: a defined benefit plan (Tier III PSPRS) and a defined contribution plan (PSPDC). Establishes disability benefits for the new plans. Requires employers of Tier III PSPRS members to pay 50% of the normal cost and actuarially determined amount required to amortize the total unfunded accrued liability (UAL) for each employer. Requires Tier III PSPRS employees to pay the remaining 50% of normal cost and the amount required to amortize the UAL. Establishes a multiplier for determining a Tier III PSPRS member's monthly pension amount and limits the maximum pension to 80% of the average monthly benefit compensation. Allows a member to retire early at 52 ½ years of age with at least 15 years of credited service. Limits the amount of a Tier III PSPRS member's compensation used for determining benefits to \$110,000, adjusted for inflation based on the *public safety wage* index as outlined. For PSPDC, the following contribution amounts are required:

- For employees who are members of PSPRS and are not covered by Social Security: 3%
- For employees in the PSPDC and not in PSPRS: 9%

Vests participant monies immediately and fully vests participants in PSPDC after 10 years (10% per year). Provides a "catch-up" PSPDC account for members of PSPRS who are not covered by Social Security and who were hired after 1/1/2012 but before 7/1/2017.

Creates a new mechanism to offer a cost-of-living increase (COLA) applicable to retirees, current members and new Tier III members. Requires the PSPRS actuary to include the projected COLA cost in the calculation of normal cost and accrued liability. Allows retired members and survivors hired before 7/1/2017 to receive a compounding COLA in the base benefit. The annual adjustment is based on the average change in consumer price index (CPI), up to 2% of the member's base benefit and is made on July 1 of each year. Provides a graduated COLA payment model based on the overall funded status of the Tier III PSPRS Plan for members hired on or after July 1, 2017 as follows:

- 2% of the base benefit if the funded ratio is at least 90%
- 1 ½% of the base benefit if the funded ratio is at least 80% but less than 90%
- 1% of the base benefit if the funded ratio is at least 70% but less than 80%
- No COLA is provided if the funded status is lower than 70%

A retiree or survivor is eligible for a COLA beginning the earlier of either the first calendar year after the 7th anniversary of retirement, or when the retired member is/would have been 60 years old. Requires any *future benefit increase* adopted by the Legislature for any PSPRS member to be fully paid in the year of enactment (amortization over a period of years is prohibited). Splits the cost for future benefit increases as follows:

- Benefits for members hired before 7/1/2017 are paid by the employer; and
- Benefits for members hired on/after 7/1/2017 are split equally between the employee and the employer.

Expands the Public Safety Personnel Retirement System Board (Board) to nine members, outlines membership criteria, describes the appointment process and establishes a PSPRS Advisory Committee (Committee). Requires the Board to study methods for risk pooling and local board consolidation. Outlines requirements for the Board and any other PSPRS fiduciary in the discharge of duties. Effective: August 6, 2016 (some provisions delayed until January 1, 2017 and July 1, 2017). Note: COLA changes for current members were conditioned on the passage of Proposition 124 (SCR 1019) at the May 17, 2016 Special Election.

Click [here](#) for the bill history.

SB 1429 (Chapter 3): public retirement systems; special election

An emergency measure that submits a constitutional amendment to public safety retirement at the special election on May 17, 2016. Requires submission of the Legislative Council analysis, JLBC summary and arguments, with appropriate fee, to the SOS by February 23, 2016. Effective: February 16, 2016.

Click [here](#) for the bill history.

SB 1441 (Chapter 280): long-term health insurance; rulemaking

An emergency measure that instructs the Department of Insurance (DOI) adopt rules that substantially conform to model regulations as adopted by the National Association of Insurance Commissioners (NAIC) relating to long-term care insurance. Additionally, exempts DOI from rulemaking for one year. Effective: May 17, 2016.

Click [here](#) for the bill history.

SB 1494 (Chapter 113): insurance; prohibited inducements; exceptions

Allows insurers to retain an independent third party to conduct a customer feedback effort for the purpose of improving the quality of the insurer's products or services. Effective: August 6, 2016.

Click [here](#) for the bill history.