

**Senate Bill No. 419**

(By Senator Sypolt)

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[Introduced February 4, 2011; referred to the Committee on Health and Human Resources; and then to the Committee on Finance.]

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A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section, designated §33-44-14, relating to creating the Health Care Choice Act; and enabling insurers authorized to sell insurance coverage in selected states to engage in the business of insurance in West Virginia.

*Be it enacted by the Legislature of West Virginia:*

That the Code of West Virginia, 1931, as amended, be amended by adding thereto a new section, designated §33-44-14, to read as follows:

**ARTICLE 44. UNAUTHORIZED INSURERS ACT.**

**§33-44-14. The sale of insurance by insurers licensed in selective states.**

(a) This section may be cited as the "Health Care Choice Act".

(b) The West Virginia Legislature recognizes the need for

1 individuals, employers and other purchasers of health insurance  
2 coverage in this state to have the opportunity to choose health  
3 insurance plans that are more affordable and flexible than existing  
4 market policies offering accident and sickness insurance coverage.  
5 Therefore, the West Virginia Legislature seeks to increase the  
6 availability of health insurance coverage by allowing insurers  
7 authorized to engage in the business of insurance in Kentucky,  
8 Ohio, Maryland, Pennsylvania and Virginia to issue accident and  
9 sickness policies in West Virginia.

10 (c) The selected out-of-state insurers may not be required to  
11 offer or provide state-mandated health benefits required by West  
12 Virginia law or regulations in health insurance policies sold to  
13 West Virginia residents.

14 (d) Each written application for participation in an out-of-  
15 state health benefit plan shall contain the following language in  
16 boldface type at the beginning of the document:

17 "This policy is primarily governed by the laws of {insert  
18 state where the master policy is filed}; therefore, all of the  
19 rating laws applicable to policies filed in West Virginia do not  
20 apply to this policy, which may result in increases in your premium  
21 at renewal that would not be permissible in a West Virginia-  
22 approved policy. Any purchase of individual health insurance  
23 should be considered carefully since future medical conditions may  
24 make it impossible to qualify for another individual health policy.

1 For information concerning individual health coverage under a West  
2 Virginia-approved policy, please consult your insurance agent or  
3 the West Virginia Insurance Commissioner.”

4 (e) Each out-of-state health benefit plan shall contain the  
5 following language in boldface type at the beginning of the  
6 document:

7 “The benefits of this policy providing your coverage are  
8 governed primarily by the laws of a state other than West Virginia.  
9 While this health benefit plan may provide you a more affordable  
10 health insurance policy, it may also provide fewer health benefits  
11 than those normally included as state mandated health benefits in  
12 policies in West Virginia. Please consult your insurance agent to  
13 determine which state-mandated health benefits are excluded under  
14 this policy.”

15 (f) The West Virginia Insurance Commissioner may conduct  
16 market conduct and solvency examinations of all out-of-state  
17 companies seeking to offer health benefit plans in this state or  
18 who have been given approval to offer health benefit plans in this  
19 state. These examinations shall be conducted in the same manner  
20 and under the same terms and conditions as for companies located in  
21 this state.

22 (g) The West Virginia Insurance Commissioner shall adopt rules  
23 necessary to implement this section, including, but not limited to,  
24 determining which health insurance companies located in other

1 states are authorized to offer plans to West Virginia residents and  
2 determining the manner of approving the health benefit plans  
3 offered by these companies.

NOTE: The purpose of this bill is to create the "Health Care  
Choice Act" and to allow insurance providers in selected states the  
ability to engage in the practice of selling insurance in West  
Virginia.

This section is new; therefore, strike-throughs and  
underscoring have been omitted.