

SECOND REGULAR SESSION

HOUSE BILL NO. 2134

98TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE HILL.

5339H.02I

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal section 376.454, RSMo, and to enact in lieu thereof one new section relating to the policy duration of certain medical plans.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 376.454, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 376.454, to read as follows:

376.454. 1. Except as provided in this section, a health insurance issuer that provides individual health insurance coverage to an individual shall renew or continue in force such coverage at the option of the individual.

2. A health insurance issuer may nonrenew or discontinue health insurance coverage of an individual in the individual market based only on one or more of the following:

(1) The individual has failed to pay premiums or contributions in accordance with the terms of the health insurance coverage or the issuer has not received timely premium payments;

(2) The individual has performed an act or practice that constitutes fraud or made an intentional misrepresentation of material fact under the terms of the coverage;

(3) The issuer is ceasing to offer coverage in the individual market in accordance with subsection 4 of this section;

(4) In the case of a health insurance issuer that offers health insurance coverage in the market through a network plan, the individual no longer resides, lives, or works in the service area or in an area for which the issuer is authorized to do business but only if such coverage is terminated under this subdivision uniformly without regard to any health status-related factor of covered individuals;

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

17 (5) In the case of health insurance coverage that is made available in the individual
18 market only through one or more bona fide associations, the membership of the individual in the
19 association on the basis of which the coverage is provided ceases, but only if such coverage is
20 terminated under this subdivision uniformly without regard to any health status-related factor of
21 covered individuals.

22 3. In any case in which an issuer decides to discontinue offering a particular type of
23 health insurance coverage offered in the individual market, coverage of such type may be
24 discontinued by the issuer only if:

25 (1) The issuer provides notice to each covered individual provided coverage of this type
26 in such market of such discontinuation at least ninety days prior to the date of the discontinuation
27 of such coverage;

28 (2) The issuer offers to each individual in the individual market provided coverage of
29 this type, the option to purchase any other individual health insurance coverage currently being
30 offered by the issuer for individuals in such market; and

31 (3) In exercising the option to discontinue coverage of this type and in offering the
32 option of coverage under subdivision (2) of this subsection, the issuer acts uniformly without
33 regard to any health status-related factor of enrolled individuals or individuals who may become
34 eligible for such coverage.

35 4. (1) In any case in which a health insurance issuer elects to discontinue offering all
36 health insurance coverage in the individual market in the state, health insurance coverage may
37 be discontinued by the issuer only if:

38 (a) The issuer provides notice to the director and to each individual of such
39 discontinuation at least one hundred eighty days prior to the date of the expiration of such
40 coverage; and

41 (b) All health insurance issued or delivered for issuance in the state in such market is
42 discontinued and coverage under such health insurance coverage in such market is not renewed.

43 (2) In the case of a discontinuation under subdivision (1) of this subsection, the issuer
44 shall not provide for the issuance of any health insurance coverage in the individual market for
45 a five-year period beginning on the date of the discontinuation of the last health insurance
46 coverage not so renewed.

47 5. At the time of coverage renewal, a health insurance issuer may modify the health
48 insurance coverage for a policy form offered to individuals in the individual market so long as
49 such modification is consistent with applicable law and effective on a uniform basis among all
50 individuals with that policy form. For purposes of this subsection, renewal shall be deemed to
51 occur not more often than annually on the anniversary of the effective date of the individual's
52 health insurance coverage or as specified in the policy or contract.

53 6. In applying this section in the case of health insurance coverage that is made available
54 by a health insurance issuer in the individual market to individuals only through one or more
55 associations, a reference to an individual is deemed to include a reference to such an association
56 of which the individual is a member.

57 7. **Any short-term medical or temporary medical plan that is approved for sale by**
58 **the director shall have a policy duration of up to six months. The approved short-term or**
59 **temporary policy shall be made guaranteed renewable every six months for a total**
60 **duration not to exceed twenty-four months.**

61 8. An insurer shall provide a certification of creditable coverage as required by Public
62 Law 104-191 and regulations pursuant thereto.

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