Bill no.: HR 2355
Amendment no.: 1
H.L.C.
Date offered: 7/20/05
Disposition: Agreed to by 24 yeas and 17 nays

AMENDMENTS TO H.R. 2355

OFFERED BY MR. SHADEGG OF ARIZONA

Page 5, strike line 13 and all that follows through line 9 on page 6 and insert the following:

(7) COVERED LAWS.—

(A) IN GENERAL.—The term "covered laws" means the laws, rules, regulations, agreements, and orders governing the insurance business pertaining to—

(i) individual health insurance coverage issued by a health insurance issuer;

(ii) the offer, sale, rating (including medical underwriting), renewal, and issuance of individual health insurance coverage to an individual;

(iii) the provision to an individual in relation to individual health insurance coverage of health care and insurance related services;

(iv) the provision to an individual in relation to individual health insurance coverage of management, operations, and in-

1 vestment activities of a health insurance
2 issuer; and
3 (v) the provision to an individual in
4 relation to individual health insurance cov-
5 erage of loss control and claims adminis-
6 tration for a health insurance issuer with
7 respect to liability for which the issuer pro-
8 vides insurance.
9 (B) EXCEPTION.—Such term does not in-
10 clude any law, rule, regulation, agreement, or
11 order governing the use of care or cost manage-
12 ment techniques, including any requirement re-
13 lated to provider contracting, network access or
14 adequacy, health care data collection, or quality
15 assurance.

Page 7, insert after line 9 the following:

16 "(G) A pattern or practice of compelling
17 insured individuals or their beneficiaries to in-
18 stitute suits to recover amounts due under its
19 policies by offering substantially less than the
20 amounts ultimately recovered in suits brought
21 by them.
22 "(H) A pattern or practice of attempting
23 to settle or settling claims for less than the
24 amount that a reasonable person would believe

1 the insured individual or his or her beneficiary
2 was entitled by reference to written or printed
3 advertising material accompanying or made
4 part of an application.
5 "(I) Attempting to settle or settling claims
6 on the basis of an application that was materi-
7 ally altered without notice to, or knowledge or
8 consent of, the insured.
9 "(J) Failing to provide forms necessary to
10 present claims within 15 calendar days of a re-
11 quests with reasonable explanations regarding
12 their use.
13 "(K) Attempting to cancel a policy in less
14 time than that prescribed in the policy or by the
15 law of the primary State.".

Page 9, line 22, insert "rating (including medical underwriting)," after "sale,".

Page 16, line 8, insert "with commissions or other compensation subject to the provisions of the laws of that State," after "State,".

Page 17, strike lines 22 through 25 and insert the following:

16 "(2) the solicitation or sale of individual health
17 insurance coverage that violates the requirements of

1 the law of a secondary State which are described in
2 subparagraphs (A) through (H) of section
3 2796(b)(1).".

Page 17, insert after line 25 the following (and redesignate subsequent subsections accordingly):

4 "(i) POWER OF SECONDARY STATES TO TAKE AD-
5 MINISTRATIVE ACTION.—Nothing in this section shall be
6 construed to affect the authority of any State to enjoin
7 conduct in violation of that State's laws described in sec-
8 tion 2796(b)(1).".

Page 18, insert after line 20 the following:

9 "(m) GUARANTEED AVAILABILITY OF COVERAGE TO
10 HIPAA ELIGIBLE INDIVIDUALS.—To the extent that a
11 health insurance issuer is offering coverage in a primary
12 State that does not accommodate residents of secondary
13 States or does not provide a working mechanism for resi-
14 dents of a secondary State, and the issuer is offering cov-
15 erage under this part in such secondary State which has
16 not adopted a qualified high risk pool as its acceptable
17 alternative mechanism (as defined in section 2744(c)(2)),
18 the issuer shall, with respect to any individual health in-
19 surance coverage offered in a secondary State under this
20 part, comply with the guaranteed availability requirements
21 for eligible individuals in section 2741.".