

June 13, 2002

S 1389. HIGH-RISK HEALTH INSURANCE POOL. TO MAKE AVAILABLE COMPREHENSIVE HEALTH INSURANCE FOR HIGH-RISK INDIVIDUALS THROUGH A HIGH-RISK POOL. Adds new Part 6 to Art. 50 of GS Ch. 58, creating a nonprofit NC Health Insurance High-Risk Pool, of which all insurers issuing health benefit plans in the state on or after January 1, 2002, are members. Provides for 7-member board of directors to be elected at pool's initial organizational meeting or, if that does not occur, to be appointed by the Comm'r of Insurance. Board must include a consumer representative, representatives of two businesses other than the insurance industry, and at least two domestic insurance companies selling health insurance in the state, including the one selling the largest amount of health insurance in the state. Sets out power and duties of the board, including development of a plan of operation that must be approved by the Comm'r. Exempts the pool from taxes under Art. 8B of GS Ch. 105. Sets out eligibility requirements for pool coverage, including rejection of similar coverage for health reasons, medical condition or history on list the board develops, and being a resident dependent of a person who is eligible. Specifies conditions under which it is an unfair trade practice for an insurer to refer an individual employee to the pool. Sets out criteria for a plan administrator to be selected by the board. Describes method of setting premium rates and factors the board must consider in establishing plan coverage. Includes immunity and indemnity provisions for pool members. Requires initial organizational meeting to be held within 90 days of the date the act becomes law. Requires board to report to the Comm'r of Insurance and specifies required contents of the report. Effective July 1, 2002, appropriates \$75,000 for 2002-2003 from General Fund to Dep't of Insurance, to be placed in a special Reserve for Health Insurance High-Risk Pool and allocated for reasonable expenses of the board in developing the pool benefit plan. Certain statutory provisions relating to the plan become effective Jan. 1, 2004, only if a method of fully financing the Comprehensive Health Insurance Benefit Plan for High-Risk Individuals is enacted by the 2003 General Assembly and becomes law.

Intro. by Ballantine.

Ref. to Insurance	GS 58, APPROP
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