Bill as Introduced

HB 519 - AS INTRODUCED

2021 SESSION

21-0874 10/04

HOUSE BILL

519

AN ACT

relative to technical changes in the laws administered by the insurance

department.

SPONSORS:

Rep. Hunt, Ches. 11

COMMITTEE:

Commerce and Consumer Affairs

ANALYSIS

This bill makes various technical changes to insurance laws administered by the insurance department.

This bill is a request of the insurance department.

Explanation:

Matter added to current law appears in bold italics.

Matter removed from current law appears [in brackets and struckthrough.]

Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty One

AN ACT

relative to technical changes in the laws administered by the insurance department.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 Insurance Department Records. Amend RSA 400-A:25, III to read as follows:

III. The commissioner may destroy at the end of [6] 3 years from the date of filing any records [which, in his opinion, are] determined to be no longer of any value to the state. The commissioner may destroy at an earlier date such records of the department which are readily available to the commissioner in an unaltered form from any other state or federal agency or from any licensed insurance company.

2 Declined Underwriting File. Amend RSA 400-B:4, III to read as follows:

III. A declined underwriting file shall be maintained and shall include an application, any documentation substantiating the decision to decline an issuance of a policy, any binder issued without the insurer issuing a policy, any documentation substantiating the decision not to add additional coverage when requested, and [, if required by law, any] the declination notification. Notes regarding requests for quotations that do not result in a completed application for coverage need not be maintained for purposes of this chapter. The insurer shall retain declined underwriting files for the current year plus 5 years.

- 3 Insurance Holding Companies; Approval of Mergers and Acquisitions. Amend RSA 401-B:3, VI(b) to read as follows:
- (b) The public hearing referred to in subparagraph VI(a) shall be held within 30 days after the statement required by paragraph I is filed and at least 20 days' notice shall be given by the commissioner to the person filing the statement. Not less than 7 days' notice of the public hearing shall be given by the person filing the statement to the insurer and to such other persons as may be designated by the commissioner. The insurer shall give such notice to its security holders. The commissioner shall make a determination within [the 60 day period preceding the effective date of the proposed transaction] 30 days after the conclusion of the hearing. At such hearing, the person filing the statement, the insurer, any person to whom notice of hearing was sent, and any other person whose interest may be affected shall have the right to present evidence, examine and cross-examine witnesses, and offer oral and written arguments and in connection therewith shall be entitled to conduct discovery proceedings in the same manner as is presently allowed in the superior court of this state. All discovery proceedings shall be concluded not later than 3 days prior to the commencement of the public hearing.
 - 4 Insurance Holding Companies; Registration. Amend RSA 401-B:4, I(b) to read as follows:

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- (b) Any insurer which is subject to registration under this section shall register within 15 days after it becomes subject to registration and annually thereafter by [May] August 1 of each year for the previous calendar year, unless the commissioner for good cause shown extends the time for registration, and then within the extended time. The commissioner may require any insurer authorized to do business in this state which is a member of an insurance holding company system, and which is not subject to registration under this section, to furnish a copy of the registration statement, the summary specified in paragraph III, or other information filed by such insurance company with the insurance regulatory authority of its domiciliary jurisdiction.
 - 5 Pharmacy Benefit Managers; Complaints. Amend RSA 402-N:5, II to read as follows:
- II. The commissioner shall adopt rules, pursuant to RSA 541-A, to implement [RSA 402 N:4] paragraph I. Such rules shall include procedures for addressing complaints, provisions for enforcement, the receipt of complaints referred to the insurance department under RSA 318:47-h, III(b), and for reporting to the board of pharmacy on the status of complaints referred.
 - 6 Life Settlements Act; Producer. Amend RSA 408-D:3, V(a) to read as follows:
- V.(a) A life settlement producer that solicits or negotiates a life settlement contract between a viator and a life settlement provider shall be appointed by the life settlement provider.
- 7 Unfair Methods, Acts, and Practices Defined; Unfair Discrimination. Amend RSA 417:4, VIII(h) to read as follows:
- (h) For life coverage, [life] annuity contracts, or disability coverage, refusing to insure or to continue to insure, or limiting the amount, extent, or kind of coverage based on the applicant who is also the proposed insured having filled a prescription for an opioid antagonist, when that prescription is not relevant to the applicant's health, but rather is designed to promote the health of someone else. For any such prescription, the carrier shall inquire with the applicant as to the reason for the prescription and may request documentation that verifies the applicant's response prior to issuing an underwriting decision.
- 8 Children's Early Intervention Therapy Services; Individual. Amend RSA 415:6-n to read as follows:
- 415:6-n Coverage for Children's Early Intervention Therapy Services. Each insurer that issues or renews any individual policy, plan, or contract of accident or health insurance providing benefits for medical, rehabilitation, or hospital expenses, shall provide to certificate holders of such insurance, who are residents of this state, coverage for expenses arising from the services of licensed and credentialed occupational therapists, physical therapists, speech-language pathologists, and clinical social workers working with children from birth to 36 months of age with an identified developmental disability and/or delay as specified in rules adopted pursuant to RSA 171-A:18, IV as long as the providing therapist receives a referral from the child's primary care provider if applicable. The benefits in this section shall not be subject to deductibles, copayments, or coinsurance; provided that the benefits included in this section may have a cap of \$3,200 per child

HB 519 - AS INTRODUCED - Page 3 -

- 1 per year not to exceed \$9,600 by the child's third birthday. For a health care contract that meets the
- definition of a "high deductible plan" set forth in 26 U.S.C. section 223(c)(2) or a catastrophic
- 3 health plan, as defined under the Patient Protection and Affordable Care Act of 2009, a
 - carrier shall be exempt from the deductible provisions of this section and may apply a deductible to
- 5 children's early intervention therapy services until an enrollee's deductible has been satisfied for the
- 6 year. Notwithstanding any provision of law or rule to the contrary, the coverage under this section
- 7 shall apply to the medical assistance program, pursuant to RSA 161 and RSA 167.
- 8 9 Children's Early Intervention Therapy Services; Group. Amend RSA 415:18-s to read as 9 follows:
 - 415:18-s Coverage for Children's Early Intervention Services. Each insurer that issues or renews any policy of group accident or health insurance providing benefits for medical, rehabilitation, or hospital expenses, shall provide to each group, or to the portion of each group
- 13 comprised of certificate holders of such insurance who are residents of this state, coverage for
- 14 expenses arising from the services of licensed and credentialed occupational therapists, physical
- therapists, speech-language pathologists, and clinical social workers working with children from
- birth to 36 months of age with an identified developmental disability and/or delay as specified in
- 17 rules adopted pursuant to RSA 171-A:18, IV as long as the providing therapist receives a referral
- 18 from the child's primary care provider if applicable. The benefits in this section shall not be subject
- 19 to deductibles, copayments, or coinsurance; provided that the benefits included in this section may
- 20 have a cap of \$3,200 per child per year not to exceed \$9,600 by the child's third birthday. For a
- 21 health care contract that meets the definition of a "high deductible plan" set forth in 26 U.S.C.
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- 23 Affordable Care Act of 2009, a carrier shall be exempt from the deductible provisions of this
- 24 section and may apply a deductible to children's early intervention therapy services until an
- 25 enrollee's deductible has been satisfied for the year. Notwithstanding any provision of law or rule to
- 26 the contrary, the coverage under this section shall apply to the medical assistance program,
- 27 pursuant to RSA 161 and RSA 167.
 - 10 Children's Early Intervention Therapy Services; Health Services Corporation. Amend RSA
- 29 420-A:17-g to read as follows:

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- 30 420-A:17-g Coverage for Children's Early Intervention Services. Every health service
- 31 corporation and every other similar corporation licensed under the laws of another state that issues
- 32 or renews any policy of group accident or health insurance providing benefits for medical,
- 33 rehabilitation, or hospital expenses, which provides coverage for outpatient services shall provide to
- each group, or to the portion of each group comprised of certificate holders of such insurance who are
- 35 residents of this state, coverage for expenses arising from the services of licensed and credentialed
- 36 occupational therapists, physical therapists, speech-language pathologists, and clinical social
- 37 workers working with children from birth to 36 months of age with an identified developmental

HB 519 - AS INTRODUCED - Page 4 -

disability and/or delay as specified in rules adopted pursuant to RSA 171-A:18, IV as long as the 1 2 providing therapist receives a referral from the child's primary care provider if applicable. The 3 benefits in this section shall not be subject to deductibles, copayments, or coinsurance; provided that ٠4 the benefits included in this section may have a cap of \$3,200 per child per year not to exceed \$9,600 by the child's third birthday. For a health care contract that meets the definition of a "high 5 6 deductible plan" set forth in 26 U.S.C. section 223(c)(2) or a catastrophic health plan, as defined 7 under the Patient Protection and Affordable Care Act of 2009, a carrier shall be exempt from 8 the deductible provisions of this section and may apply a deductible to children's early intervention 9 therapy services until an enrollee's deductible has been satisfied for the year. Notwithstanding any provision of law or rule to the contrary, the coverage under this section shall apply to the medical 10 11 assistance program, pursuant to RSA 161 and RSA 167.

11 Children's Early Intervention Therapy Services; HMO. Amend RSA 420-B:8-r to read as follows:

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420-B:8-r Coverage for Children's Early Intervention Services. Every health maintenance organization and every similar corporation licensed under the laws of another state that issues or renews any policy, plan, or contract of individual or group health insurance providing benefits for medical, rehabilitation, or hospital expenses, shall provide to each individual or group, or to the portion of each group comprised of certificate holders of such insurance who are residents of this state, coverage for expenses arising from the services of licensed and credentialed occupational therapists, physical therapists, speech-language pathologists, and clinical social workers working with children from birth to 36 months of age with an identified developmental disability and/or delay as specified in rules adopted pursuant to RSA 171-A:18, IV as long as the providing therapist receives a referral from the child's primary care provider if applicable. The benefits in this section shall not be subject to deductibles, copayments, or coinsurance; provided that the benefits included in this section may have a cap of \$3,200 per child per year not to exceed \$9,600 by the child's third birthday. For a health care contract that meets the definition of a "high deductible plan" set forth in 26 U.S.C. section 223(c)(2) or a catastrophic health plan, as defined under the Patient Protection and Affordable Care Act of 2009, a carrier shall be exempt from the deductible provisions of this section and may apply a deductible to children's early intervention therapy services until an enrollee's deductible has been satisfied for the year. Notwithstanding any provision of law or rule to the contrary, the coverage under this section shall apply to the medical assistance program, pursuant to RSA 161 and RSA 167.

12 Effective Date. This act shall take effect 60 days after its passage.

CHAPTER 56 HB 519 - FINAL VERSION

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- 56:2 Declined Underwriting File. Amend RSA 400-B:4, III to read as follows:
- III. A declined underwriting file shall be maintained and shall include an application, any documentation substantiating the decision to decline an issuance of a policy, any binder issued without the insurer issuing a policy, any documentation substantiating the decision not to add additional coverage when requested, and [, if required by law, any] the declination notification. Notes regarding requests for quotations that do not result in a completed application for coverage need not be maintained for purposes of this chapter. The insurer shall retain declined underwriting files for the current year plus 5 years.
- 56:3 Insurance Holding Companies; Approval of Mergers and Acquisitions. Amend RSA 401-B:3. VI(b) to read as follows:
- (b) The public hearing referred to in subparagraph VI(a) shall be held within 30 days after the statement required by paragraph I is filed and at least 20 days' notice shall be given by the commissioner to the person filing the statement. Not less than 7 days' notice of the public hearing shall be given by the person filing the statement to the insurer and to such other persons as may be designated by the commissioner. The insurer shall give such notice to its security holders. The commissioner shall make a determination within [the 60 day period preceding the effective date of the proposed transaction] 30 days after the conclusion of the hearing. At such hearing, the person filing the statement, the insurer, any person to whom notice of hearing was sent, and any other person whose interest may be affected shall have the right to present evidence, examine and cross-examine witnesses, and offer oral and written arguments and in connection therewith shall be entitled to conduct discovery proceedings in the same manner as is presently allowed in the superior court of this state. All discovery proceedings shall be concluded not later than 3 days prior to the commencement of the public hearing.

CHAPTER 56 HB 519 - FINAL VERSION - Page 2 -

56:4 Insurance Holding Companies; Registration. Amend RSA 401-B:4, I(b) to read as follows:

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 - 56:5 Pharmacy Benefit Managers; Complaints. Amend RSA 402-N:5, II to read as follows:
- II. The commissioner shall adopt rules, pursuant to RSA 541-A, to implement [RSA 402 N:4] paragraph I. Such rules shall include procedures for addressing complaints, provisions for enforcement, the receipt of complaints referred to the insurance department under RSA 318:47-h, III(b), and for reporting to the board of pharmacy on the status of complaints referred.
 - 56:6 Life Settlements Act; Producer. Amend RSA 408-D:3, V(a) to read as follows:
- V.(a) A life settlement producer that solicits or negotiates a life settlement contract between a viator and a life settlement provider shall be appointed by the life settlement provider.
 - 56:7 Unfair Methods, Acts, and Practices Defined; Unfair Discrimination. Amend RSA 417:4, VIII(h) to read as follows:
 - (h) For life coverage, [life] annuity contracts, or disability coverage, refusing to insure or to continue to insure, or limiting the amount, extent, or kind of coverage based on the applicant who is also the proposed insured having filled a prescription for an opioid antagonist, when that prescription is not relevant to the applicant's health, but rather is designed to promote the health of someone else. For any such prescription, the carrier shall inquire with the applicant as to the reason for the prescription and may request documentation that verifies the applicant's response prior to issuing an underwriting decision.
 - 56:8 Children's Early Intervention Therapy Services; Individual. Amend RSA 415:6-n to read as follows:

415:6-n Coverage for Children's Early Intervention Therapy Services. Each insurer that issues or renews any individual policy, plan, or contract of accident or health insurance providing benefits for medical, rehabilitation, or hospital expenses, shall provide to certificate holders of such insurance, who are residents of this state, coverage for expenses arising from the services of licensed and credentialed occupational therapists, physical therapists, speech-language pathologists, and clinical social workers working with children from birth to 36 months of age with an identified developmental disability and/or delay as specified in rules adopted pursuant to RSA 171-A:18, IV as long as the providing therapist receives a referral from the child's primary care provider if applicable. The benefits in this section shall not be subject to deductibles, copayments, or

CHAPTER 56 HB 519 - FINAL VERSION - Page 3 -

- coinsurance; provided that the benefits included in this section may have a cap of \$3,200 per child 1 per year not to exceed \$9,600 by the child's third birthday. For a health care contract that meets the 2 definition of a "high deductible plan" set forth in 26 U.S.C. section 223(c)(2) or a catastrophic 3 4 health plan, as defined under the Patient Protection and Affordable Care Act of 2009, a carrier shall be exempt from the deductible provisions of this section and may apply a deductible to 5 children's early intervention therapy services until an enrollee's deductible has been satisfied for the 6 year. Notwithstanding any provision of law or rule to the contrary, the coverage under this section 7 shall apply to the medical assistance program, pursuant to RSA 161 and RSA 167. 8
- 9 56:9 Children's Early Intervention Therapy Services; Group. Amend RSA 415:18-s to read as 10, follows:

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- 415:18-s Coverage for Children's Early Intervention Services. Each insurer that issues or renews any policy of group accident or health insurance providing benefits for medical, rehabilitation, or hospital expenses, shall provide to each group, or to the portion of each group comprised of certificate holders of such insurance who are residents of this state, coverage for expenses arising from the services of licensed and credentialed occupational therapists, physical therapists, speech-language pathologists, and clinical social workers working with children from birth to 36 months of age with an identified developmental disability and/or delay as specified in rules adopted pursuant to RSA 171-A:18, IV as long as the providing therapist receives a referral from the child's primary care provider if applicable. The benefits in this section shall not be subject to deductibles, copayments, or coinsurance; provided that the benefits included in this section may have a cap of \$3,200 per child per year not to exceed \$9,600 by the child's third birthday. For a health care contract that meets the definition of a "high deductible plan" set forth in 26 U.S.C. section 223(c)(2) or a catastrophic health plan, as defined under the Patient Protection and Affordable Care Act of 2009, a carrier shall be exempt from the deductible provisions of this section and may apply a deductible to children's early intervention therapy services until an enrollee's deductible has been satisfied for the year. Notwithstanding any provision of law or rule to the contrary, the coverage under this section shall apply to the medical assistance program, pursuant to RSA 161 and RSA 167.
- 56:10 Children's Early Intervention Therapy Services; Health Services Corporation. Amend RSA 420-A:17-g to read as follows:
 - 420-A:17-g Coverage for Children's Early Intervention Services. Every health service corporation and every other similar corporation licensed under the laws of another state that issues or renews any policy of group accident or health insurance providing benefits for medical, rehabilitation, or hospital expenses, which provides coverage for outpatient services shall provide to each group, or to the portion of each group comprised of certificate holders of such insurance who are residents of this state, coverage for expenses arising from the services of licensed and credentialed occupational therapists, physical therapists, speech-language pathologists, and clinical social

CHAPTER 56 HB 519 - FINAL VERSION - Page 4 -

workers working with children from birth to 36 months of age with an identified developmental 1 disability and/or delay as specified in rules adopted pursuant to RSA 171-A:18, IV as long as the 2 providing therapist receives a referral from the child's primary care provider if applicable. The 3 benefits in this section shall not be subject to deductibles, copayments, or coinsurance; provided that 4 the benefits included in this section may have a cap of \$3,200 per child per year not to exceed \$9,600 5 by the child's third birthday. For a health care contract that meets the definition of a "high 6 deductible plan" set forth in 26 U.S.C. section 223(c)(2) or a catastrophic health plan, as defined 7 under the Patient Protection and Affordable Care Act of 2009, a carrier shall be exempt from 8 the deductible provisions of this section and may apply a deductible to children's early intervention 9 therapy services until an enrollee's deductible has been satisfied for the year. Notwithstanding any 10 provision of law or rule to the contrary, the coverage under this section shall apply to the medical 11 assistance program, pursuant to RSA 161 and RSA 167. 12

56:11 Children's Early Intervention Therapy Services; HMO. Amend RSA 420-B:8-r to read as follows:

420-B:8-r Coverage for Children's Early Intervention Services. Every health maintenance organization and every similar corporation licensed under the laws of another state that issues or renews any policy, plan, or contract of individual or group health insurance providing benefits for medical, rehabilitation, or hospital expenses, shall provide to each individual or group, or to the portion of each group comprised of certificate holders of such insurance who are residents of this state, coverage for expenses arising from the services of licensed and credentialed occupational therapists, physical therapists, speech-language pathologists, and clinical social workers working with children from birth to 36 months of age with an identified developmental disability and/or delay as specified in rules adopted pursuant to RSA 171-A:18, IV as long as the providing therapist receives a referral from the child's primary care provider if applicable. The benefits in this section shall not be subject to deductibles, copayments, or coinsurance; provided that the benefits included in this section may have a cap of \$3,200 per child per year not to exceed \$9,600 by the child's third birthday. For a health care contract that meets the definition of a "high deductible plan" set forth in 26 U.S.C. section 223(c)(2) or a catastrophic health plan, as defined under the Patient Protection and Affordable Care Act of 2009, a carrier shall be exempt from the deductible provisions of this section and may apply a deductible to children's early intervention therapy services until an enrollee's deductible has been satisfied for the year. Notwithstanding any provision of law or rule to the contrary, the coverage under this section shall apply to the medical assistance program, pursuant to RSA 161 and RSA 167.

56:12 Effective Date. This act shall take effect 60 days after its passage.

Approved: May 25, 2021 Effective Date: July 24, 2021

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Committee Minutes

SENATE CALENDAR NOTICE Commerce

Sen Harold French, Chair Sen Bill Gannon, Vice Chair Sen Jeb Bradley, Member Sen Donna Soucy, Member Sen Kevin Cavanaugh, Member

Date: April 15, 2021

HEARINGS

	Tuesday	- 04/20/2021		
	(Day)	(Date)		
Commerce	·. e	REMOTE 000 9:00 a.m.		
(Name of	Committee)	(Place) (Time)		
9:00 a.m.	HB 299	relative to responsibilities of the insurance department.		
9:15 a.m.	HB 518	relative to rebates under the law governing unfair insurance practices.		
9:30 a.m.	HB 520	relative to e-delivery of insurance documents and commercial lines renewal notices.		
9:45 a.m.	HB 312	relative to deadlines in consumer credit applications, licensing requirements for mortgage loan originators, examinations of family trust companies, delegation by credit union boards to committees, qualifications of the banking commissioner, and authorizing depository banks to elect benefit corporation status.		
10:00 a.m.	HB 519	relative to technical changes in the laws administered by the insurance department.		
10:15 a.m.	HB 610-FN	requiring certain licensing and reporting functions be conducted through the Nationwide Multistate Licensing System and Registry, and relative to background investigations of trust officers, to certain filing fees, assessments, and interest rates, and to the transmission of consumer complaints by the banking department.		

Committee members will receive secure Zoom invitations via email.

Members of the public may attend using the following links:

- 1. Link to Zoom Webinar: https://www.zoom.us/j/99935596171
- 2. To listen via telephone: Dial(for higher quality, dial a number based on your current location):
- $1-646-558-8656, \ or \ 1-301-715-8592, \ or \ 1-312-626-6799, \ or \ 1-669-900-9128, \ or \ 1-253-215-8782, \ or \ 1-346-248-7799$
- 3. Or iPhone one-tap: 16465588656,,99935596171# or 13017158592,,99935596171#
- 4. Webinar ID: 999 3559 6171
- 5. To view/listen to this hearing on YouTube, use this link:

https://www.voutube.com/channel/UCjBZdtrjRnQdmg-2MPMiWrA

6. To sign in to speak, register your position on a bill and/or submit testimony, use this link:

http://gencourt.state.nh.us/remotecommittee/senate.aspx

The following email will be monitored throughout the meeting by someone who can assist with and alert the committee to any technical issues: remotesenate@leg.state.nh.us or call (603-271-6931).

EXECUTIVE SESSION MAY FOLLOW

Sponsors:

HB 299

Rep. Potucek

HB 518

Rep. Infantine

HB 520

Rep. Bartlett

Rep. Hunt

Sen. Cavanaugh .

HB 312

Rep. Hunt

HB 519

Rep. Hunt

HB 610-FN

Rep. Hunt

Aaron Jones 271-4063

Harold F. French Chairman

Senate Commerce Committee

Aaron Jones 271-4063

HB 519, relative to technical changes in the laws administered by the insurance department.

Hearing Date:

April 20, 2021

Time Opened:

10:01 a.m.

Time Closed:

10:08 a.m.

Members of the Committee Present: Senators French, Gannon, Bradley, Soucy

and Cavanaugh

Members of the Committee Absent: None

Bill Analysis: This bill makes various technical changes to insurance laws administered by the insurance department.

This bill is a request of the insurance department.

Sponsors:

Rep. Hunt

Who supports the bill: Representative Will Infantine (NH Insurance Agents Association), Representative John Potucek, Marty Mobley (NH Insurance Department), George Roussos (NH Association of Domestic Insurance Companies & American Property Casualty Insurance Association), James Hatem (State Farm Insurance Companies)

Who opposes the bill: No one

Who is neutral on the bill: No one

Summary of testimony presented in support:

Senator Bill Gannon

- On behalf of Representative Hunt, Senator Gannon introduced HB 519.
- This bill was filed at the request of the New Hampshire Insurance Department.

Marty Mobley, Legal Coordinator, New Hampshire Insurance Department

 Ms. Mobley said the industry supported the changes made within this legislation.

- Section 1 would clarify that records that aren't needed or necessary need to be retained only for 3 years, instead of 6 years.
 - o Ms. Mobley said the department felt 6 years isn't practical and the reduced retention time would free up storage space.
 - o Additionally, the Commissioner already has the authority to determine if records can be destroyed if they're less than 6 years old, especially if they're no longer necessary.
- Section 2 would remove the phrase "if required by law" from RSA 400-B:4 because notifications of declination are required under RSA 400-B:2.
 - o The removal of this phrase would provide clarity on what records insurers must maintain for market conduct purposes.
- Section 3 would clarify that the Commissioner can make a determination on the merger of holding companies within 30 days of the conclusion of the public hearing on the merger.
 - Currently, the Commissioner shall make a determination within 60 days preceding the effective date of a purposed transaction. The problem, however, is that the department isn't always in control of that effective date.
- Section 4 would change the deadline for holding company registration renewals from May 1st to August 1st.
 - o Currently, the National Association of Insurance Commissioners (NAIC) doesn't require renewals to be submitted to them until late fall.
 - This provision provides holding companies with additional time to send their renewals to the department, while also giving Insurance Department employees additional time to review renewals before they're submitted to NAIC.
- Section 5 would make a citation correction in the Pharmacy Benefit Managers (PBM) statute by moving the ability of the Commissioner to adopt rules from RSA 402-N:4 to RSA 402-N:5, I.
 - The Commissioner has already adopted rules, which can be found in INS 2704.06.
- Section 6 would clarify that a producer must be appointed before they solicit or negotiate a life settlement.
 - Last session, similar legislation passed the House in HB 1308, but it died on the table in the Senate.
 - o This section would mirror the existing statutory definitions for life settlement producers and insurance producers.
- Section 7 would change the phrase "life annuity" to "annuity contracts".
- Finally, sections 8 through 11 would correct omissions made in last year's HB 1162, which inadvertently excluded references to catastrophic health plans in the children's early intervention services statutes.

Summary of testimony presented in opposition: None

Neutral Information Presented: None

AJ Date Hearing Report completed: April 21, 2021

Speakers

Commerce Committee Testify List for Bill HB519 on 2021-04-20 Support: 5 Oppose: 0 Neutral: 0 Total to Testify: 1

Name	Email Address	Phone	<u>Title</u>	Representing	<u>Position</u>	Testifying
Mobley, Marty	martha.v.mobley@ins.nh.gov	271-2805	State Agency Staff	Insurance Department	Support	Yes
Roussos, George	groussos@orr-reno,com	Not Given	A Lobbyist	New Hampshire Association of Domestic Insurance Companies and American Property Casualty Insurance Association	Support	No
Infantine, Will	repinfantine@gmail.com	Not Given	An Elected Official	NH Insurance Agents Association	Support	No
Hatem, James	Not Given	Not Given	A Lobbyist	State Farm Insurance Companies	Support	No
Potucek, John	potucek1@comcast.net	16034329049	An Elected Official	Myself	Support	No

Testimony

TESTIMONY FOR HB 519

- relative to technical changes in the laws administered by the insurance department.

Hearing: April 20, 2021 at 10:00 am

Good morning Commerce Committee. I am Marty Mobley, the Legal Coordinator for the Insurance Department.

The Insurance Department requested this legislation in order to clean up a few of our laws. I will note that the insurance industry is strongly in support of all of these proposals. For simplicity, I will just go through the bill by Section.

Section 1 reduces the time the Department must maintain unneeded records to 3 years. The current period is stated as 6 years, which is twice the time required by the civil statute of limitations. The Department believes 6 years is much more time than is necessary or practical for maintaining any records that are determined to be no longer of any value. In addition, Archives and Records management statute RSA 5:38 states "Unless otherwise provided by law with respect to particular departments or particular records, records not having a permanent or historical value may be destroyed at the end of 4 years from their making, provided that the rules of the director, as adopted under RSA 5:40, may provide that designated records may be destroyed at an earlier period or require their retention for a longer period." This change is long overdue.

Section 2 simplifies the language in the statute that mandates what records insurers need to maintain for market conduct purposes. Because RSA 400-B:2 does <u>require</u> a notice of declined coverage, we are proposing to strike the phrase "if required by law" here to alleviate any possible confusion, since the notification is, in fact, required by law.

Section 3 simplifies the language in the statute on public hearings for the mergers of holding companies. The Department feels the current language is too uncertain and nonspecific, as we do not control the specifics of the finalization of

TESTIMONY FOR HB 519

- relative to technical changes in the laws administered by the insurance department.

a merger. We are proposing that the Commissioner will make a determination within 30 days after the hearing, so all parties know exactly when they may expect a decision. Additionally, this change will bring the language into line with the timeframe required by other New England states (ME, MA, CT) as well as DE, who have updated their company merger laws.

Section 4 changes the deadline for holding company registration renewals. The current date is May 1st, but these registration renewals are not reviewed by our Financial Regulation Division until September. Changing the date to August 1st allows the submitted renewal information to be more up-to-date and makes the process more efficient for the Department reviewers and industry, since the National Association of Insurance Commissioners (NAIC) does not require us to submit the renewal registrations to them until late fall.

Section 5 corrects a citation in the Pharmacy Benefit Managers (PBM) statute. This was a typo in the original legislation from 2019. (RSA 402-N:4 is about "usual and customary price"; RSA 402-N:5, I provides that a consumer may file a complaint. The rules mandated here are contained in Ins 2704.06.)

Section 6 clarifies that a producer must be appointed to "solicit or" negotiate a life settlement. This is <u>HB 1308</u> from last year, which was Tabled. This minor change makes clear that a producer must be appointed before they even solicit a life settlement. This language mirrors what's in the statutory definitions for life settlement producers and our insurance producer statute as well, so we are able to be consistent in our regulation of licensees.

Section 7 corrects the reference to annuity contracts in the Unfair Trade statute. Currently, the statute refers to these contracts as "life annuity", which is inaccurate. They are known as "annuity contracts" by the industry and regulatory entities.

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Sections 8 – 11 amend 4 statutes to include proper references to the ACA. These 4 statutes were amended last year by <u>HB 1162</u> with respect to Children's Early Intervention Services. However, the appropriate reference to "catastrophic health plan" was inadvertently omitted in each of these statutes when that change was made. This technical change will correct that omission.

The Insurance Department thanks you for your support of this necessary legislation, and I will be available to answer any questions.

Sincerely,

Marty Mobley

Legal Coordinator | NH Insurance Department

Voting Sheets

Senate Commerce Committee

EXECUTIVE SESSION RECORD

2021-2022 Session

	Bill # HB 519
Hearing date: 4/20/21	1,00
Executive Session date: 4/20/71	
Motion of: OTP	Vote: 5-0
Committee Member Made by Seco	ond Yes No
Sen. French, Chair	
Sen. Gannon, V-Chair	
Sen. Bradley	
Sen. Cavanaugh	
-Sen. Soucy ∟✓	
Motion of: CONSCAL	Vote: 5-0
Committee Member Made by Seco	ond Yes No
Sen: French, Chair	
Sen. Gannon, V-Chair	<i>y</i>
Sen Bradley	<u> </u>
Sen. Cavanaugh	
Sen. Soucy	
Motion of:	Vote:
Committee Member Made by Seco	ond Yes No
Sen: French, Chair	
Sen. Gannon, V-Chair	
Sen. Bradley	
Sen. Cavanaugh	
Sen. Soucy	
SAD CADOMO	
Reported out by: SAN GOOM	
Notes:	

Committee Report

STATE OF NEW HAMPSHIRE

SENATE

REPORT OF THE COMMITTEE FOR THE CONSENT CALENDAR

Tuesday, April 20, 2021

THE COMMITTEE ON Commerce

to which was referred HB 519

AN ACT

relative to technical changes in the laws administered by the insurance department.

Having considered the same, the committee recommends that the Bill

OUGHT TO PASS

BY A VOTE OF: 5-0

Senator Bill Gannon For the Committee

This bill was filed at the request of the New Hampshire Insurance Department, and it would make numerous technical changes. Section 1 would require the department retain records that are determined to be unnecessary for 3 years instead of for 6 years. Section 2 would clarify that notifications of declination made under RSA 400-B:4 are required to be retained by insurers. Section 3 would clarify that the Commissioner would need to decide holding company mergers within 30 days of the conclusion of the public hearing on the merger. Section 4 would extend the renewal deadline for holding company registrations from May 1st to early fall. Section 5 would change the rule adoption reference in the PBM statute from RSA 402-N:4 to paragraph I of RSA 402-N:5. Section 6 would clarify that a producer must be appointed before a life settlement is solicited or negotiated. Section 7 would change the phrase from "life annuity" in RSA 417:4, VIII(h) to "annuity contracts". Finally, Sections 8 through 11 would include references to catastrophic health plans, which were inadvertently left out of the statutes governing children's early intervention services.

Aaron Jones 271-4063

FOR THE CONSENT CALENDAR

COMMERCE

HB 519, relative to technical changes in the laws administered by the insurance department. Ought to Pass, Vote 5-0.

Senator Bill Gannon for the committee.

This bill was filed at the request of the New Hampshire Insurance Department, and it would make numerous technical changes. Section 1 would require the department retain records that are determined to be unnecessary for 3 years instead of for 6 years. Section 2 would clarify that notifications of declination made under RSA 400-B:4 are required to be retained by insurers. Section 3 would clarify that the Commissioner would need to decide holding company mergers within 30 days of the conclusion of the public hearing on the merger. Section 4 would extend the renewal deadline for holding company registrations from May 1st to early fall. Section 5 would change the rule adoption reference in the PBM statute from RSA 402-N:4 to paragraph I of RSA 402-N:5. Section 6 would clarify that a producer must be appointed before a life settlement is solicited or negotiated. Section 7 would change the phrase from "life annuity" in RSA 417:4, VIII(h) to "annuity contracts". Finally, Sections 8 through 11 would include references to catastrophic health plans, which were inadvertently left out of the statutes governing children's early intervention services.

General Court of New Hampshire - Bill Status System

Docket of HB519

Docket Abbreviations

Bill Title: relative to technical changes in the laws administered by the insurance department.

Official Docket of HB519.:

Date	Body	Description
1/12/2021	Н	Introduced (in recess of) 01/06/2021 and referred to Commerce and Consumer Affairs HJ 2 P. 52
1/26/2021	Н	Public Hearing: 02/02/2021 01:15 pm Members of the public may attend using the following links: To join the webinar: https://www.zoom.us/j/92235067141 / Executive session on pending legislation may be held throughout the day (time permitting) from the time the committee is initially convened.
2/2/2021	អ	Executive Session: 02/10/2021 01:35 pm Members of the public may attend using the following link: To join the webinar: https://www.zoom.us/j/95521072179
3/3/2021	Н	Committee Report: Ought to Pass (Vote 19-0; CC) HC 18 P. 5
4/7/2021	Н	Ought to Pass: MA VV 04/07/2021 HJ 5 P. 6
4/7/2021	Н	Reconsider (Rep. Osborne): MF VV 04/07/2021 HJ 5 P. 50
4/7/2021	S	Introduced 04/01/2021 and Referred to Commerce; SJ 11
4/15/2021	S	Remote Hearing: 04/20/2021, 10:00 am; Links to join the hearing can be found in the Senate Calendar; SC 20
4/20/2021	S	Committee Report: Ought to Pass, 04/29/2021; Vote 5-0; CC; SC 21
4/29/2021	S	Ought to Pass: RC 24Y-0N, MA; OT3rdg; 04/29/2021; SJ 13
5/17/2021	S	Enrolled Adopted, VV, (In recess 05/13/2021); SJ 16
5/17/2021	Н	Enrolled (in recess of) 04/09/2021 HJ 7 P. 104
5/27/2021	Н	Signed by Governor Sununu 05/25/2021; Chapter 56; Eff: 07/24/2021

NH House NH Senate	

Other Referrals

Senate Inventory Checklist for Archives

Bill Number: HO Ol Senate Committee: WINTELE
Please include all documents in the order listed below and indicate the documents which have been included with an "X" beside
Y Final docket found on Bill Status
Bill Hearing Documents: {Legislative Aides}
Bill version as it came to the committee
All Calendar Notices Hearing Sign-up sheet(s) Prepared testimony, presentations, & other submissions handed in at the public hearing
Hearing Sign-up sheet(s)
Prepared testimony, presentations, & other submissions handed in at the public hearing
Hearing Report
Revised/Amended Fiscal Notes provided by the Senate Clerk's Office
Committee Action Documents: {Legislative Aides}
All amendments considered in committee (including those not adopted):
- amendment # amendment #
- amendment # amendment #
Executive Session Sheet
Committee Report
Floor Action Documents: {Clerk's Office}
All floor amendments considered by the body during session (only if they are offered to the senate):
amendment # amendment #
amendment # amendment #
Post Floor Action: (if applicable) (Clerk's Office)
Committee of Conference Report (if signed off by all members. Include any new language proposed by the committee of conference):
Enrolled Bill Amendment(s)
Governor's Veto Message
All available versions of the bill: {Clerk's Office}
as amended by the senate as amended by the house
final version
Completed Committee Report File Delivered to the Senate Clerk's Office By:
ADVAD 340AR 7/21/71
Committee Aide Date