

The House Committee on Insurance offers the following substitute to SB 133:

A BILL TO BE ENTITLED
AN ACT

1 To amend Title 33 of the Official Code of Georgia Annotated, relating to insurance, so as to
2 provide for modernization and updates; to amend various provisions of the Official Code of
3 Georgia Annotated for purposes of conformity; to provide for related matters; to repeal
4 conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 **SECTION 1.**

7 Title 33 of the Official Code of Georgia Annotated, relating to insurance, is amended in Code
8 Section 33-21-17, relating to examinations of organizations and providers, reports of
9 examinations, and payment of expenses of examinations, by revising subsection (d) as
10 follows:

11 "(d) The Commissioner ~~of Insurance~~ or his or her designee shall make a full written report
12 of each examination made by him or her containing only facts ascertained from the
13 accounts, records, and documents examined and from the sworn testimony of ~~witness~~
14 witnesses."

15 **SECTION 2.**

16 Said title is further amended by revising Code Section 33-21-20.1, relating to regulation of
17 HMOs by commissioner of community health, as follows:

18 "33-21-20.1.

19 ~~On May 13, 2004, all~~ All health maintenance organizations meeting the requirements of
20 subsection (b.1) of Code Section 33-21-3 shall not be subject to regulation by the
21 commissioner of ~~human resources (now known as the commissioner of community health~~
22 ~~for these purposes)~~ community health. Upon the ~~Commissioner of Insurance's~~
23 Commissioner's determination that a health maintenance organization no longer meets the
24 requirements of subsection (b.1) of Code Section 33-21-3, the Commissioner shall
25 immediately notify the commissioner of community health; and such health maintenance

26 organization shall be subject to regulation by the commissioner of community health until
 27 such time as it again meets the requirements of subsection (b.1) of Code Section 33-21-3
 28 as determined by the Commissioner of Insurance."

29

SECTION 3.

30 Said title is further amended in Code Section 33-21-23, relating to confidentiality of medical
 31 information and claim of privileges by organizations, by revising subsection (a) as follows:

32 "(a) Any data or information pertaining to the diagnosis, treatment, or health of any
 33 enrollee or applicant obtained from the person or from any provider by any health
 34 maintenance organization shall be held in confidence and shall not be disclosed to any
 35 person except:

36 (1) To ~~to~~ the extent that it may be necessary to carry out the purposes of this chapter;

37 (2) Upon ~~or upon~~ the express consent of the enrollee or applicant;

38 (3) Pursuant ~~or pursuant~~ to statute or court order for the production of evidence;

39 (4) The ~~or the~~ discovery of evidence; or

40 (5) In ~~in~~ the event of claim or litigation between the person and the health maintenance
 41 organization wherein such data or information is pertinent."

42

SECTION 4.

43 Said title is further amended by revising Code Section 33-23-3, relating to agency licensing
 44 and biennial renewals, and ownership restrictions, as follows:

45 "33-23-3.

46 (a) Each principal office and each branch office of an agency as defined in paragraph (2)
 47 of subsection (a) of Code Section 33-23-1 must obtain an agency license prior to
 48 commencement of operations and renew such license biennially and prior to December 31
 49 by filing application forms prescribed by the Commissioner.

50 ~~(a.1) All agency licenses that were issued with an expiration date of December 31, 2012,
 51 shall expire on that date, but shall be renewed pursuant to subsection (a) of this Code
 52 section.~~

53 (b) An agency shall be subject to all penalties, fines, criminal sanctions, and other actions
 54 authorized for agents under this ~~chapter~~ title.

55 (c) No person shall be an owner of an agency or, if the agency is a corporation, no person
 56 shall be an officer or director of such corporation or own 10 percent or more of the
 57 corporation if such person has had his or her license under this ~~chapter~~ title refused,
 58 revoked, or suspended."

59

SECTION 5.

60 Said title is further amended in Code Section 33-23-4, relating to license required;
 61 restrictions on payment or receipt of commissions; and positions indirectly related to sale,
 62 solicitation, or negotiation of insurance excluded from licensing requirements, by revising
 63 paragraph (1) of subsection (a) and subsections (c) and (f) as follows:

64 "(a)(1) A person shall not sell, solicit, or negotiate insurance in this state for any class or
 65 classes of insurance unless ~~the~~ such person is licensed for that line of authority in
 66 accordance with this ~~chapter~~ article and applicable regulations."

67 "(c) An insurer may pay a commission or other valuable consideration to a licensed
 68 insurance agency in which all employees, stockholders, directors, or officers who sell,
 69 solicit, or negotiate insurance contracts are qualified insurance agents, limited subagents,
 70 or counselors holding ~~currently~~ valid licenses as required by the laws of this state; and an
 71 agent, limited subagent, or counselor may share any commission or other valuable
 72 consideration with such a licensed insurance agency."

73 "(f) Any individual who has been licensed as an agent for ten consecutive years or more
 74 and who does not perform any of the functions specified in paragraph (3) of subsection (a)
 75 of Code Section 33-23-1 other than receipt of renewal or deferred commissions shall be
 76 exempt from the requirement to maintain at least one certificate of authority; provided,
 77 however, that if such individual wishes to again perform any of the other functions
 78 specified in said paragraph, such individual must obtain approval from the Commissioner
 79 and comply with the requirements of this ~~chapter~~ article and applicable rules and
 80 regulations, including without limitation the requirements for certificate of authority."

81

SECTION 6.

82 Said title is further amended in Code Section 33-23-11, relating to issuance and contents of
 83 license and display certificate of licensure, by revising subsections (a) and (d) as follows:

84 "(a) The Commissioner shall issue licenses applied for to persons qualified for the licenses
 85 in accordance with this ~~chapter~~ article."

86 "(d) The Commissioner shall have the authority to enter into agreements with persons for
 87 the purposes of providing licensing testing, administrative, record-keeping, printing,
 88 mounting, and other services related to the administration of the Commissioner's duties
 89 under this ~~chapter~~ article and to set appropriate charges by rule or regulation to cover the
 90 costs of such services which shall be in addition to the fees otherwise provided for in this
 91 title and shall be paid directly to the providers of such services. The Commissioner may
 92 require applicants for licenses to pay such charges for licensing testing and for the cost of
 93 the printing and mounting of a certificate of licensure which is suitable for display directly
 94 to the provider of such services. The Commissioner may require insurers to pay such

95 charges for licensing testing, administrative, record-keeping, and other services provided
 96 for in this subsection directly to the provider of such services in ~~proportion~~ an amount
 97 corresponding to the number of their authorized agents."

98

SECTION 7.

99 Said title is further amended in Code Section 33-23-12, relating to limited licenses, by
 100 revising paragraphs (6) and (8) of subsection (c), paragraphs (1), (2), (4), (12), (14), (15), and
 101 (16) of subsection (d), subparagraph (e)(1)(A), and paragraph (7) of subsection (e) as
 102 follows:

103 "(6) No insurance shall be offered by a limited licensee pursuant to this subsection
 104 unless:

105 (A) The rental period of the rental agreement does not exceed 90 consecutive days;

106 (B) At every rental location where rental agreements are executed, brochures or other
 107 written materials are readily available to the prospective renter that:

108 (i) Summarize clearly and correctly the material terms of coverage offered to renters,
 109 including the identity of the insurer;

110 (ii) Disclose that such policies offered by the rental company may provide a
 111 duplication of coverage already provided by a renter's personal automobile insurance
 112 policy, homeowner's insurance policy, personal liability insurance policy, or other
 113 source of coverage;

114 (iii) State that the purchase by the renter of the kinds of coverage specified in this
 115 subsection is not required in order to rent a vehicle; and

116 (iv) Describe the process for filing a claim in the event the renter elects to purchase
 117 coverage and in the event of a claim; and

118 (C) Evidence of coverage on the face of the rental agreement is disclosed to every
 119 renter who elects to purchase such coverage."

120 "(8) Each rental company licensed pursuant to this subsection shall provide a training
 121 program in which employees being trained by ~~a licensed~~ an instructor licensed under this
 122 article receive basic insurance instruction about the kinds of coverage specified in this
 123 subsection and offered for purchase by prospective renters of rental vehicles.
 124 Additionally, each rental company shall provide for such employees two hours of
 125 continuing education courses annually to be taught by ~~a licensed~~ an instructor licensed
 126 under this article. A rental company shall certify that, prior to offering such coverages,
 127 each employee has received such instruction."

128 "(d)(1) As used in this subsection, the term:

129 (A) 'Customer' means a person who purchases portable electronics or services.

130 (B) 'Enrolled customer' means a customer who elects coverage under a portable
131 electronics insurance policy issued to a vendor of portable electronics.

132 (C) 'Location' means any physical location in ~~the State of Georgia~~ this state or any
133 website, call center site, or similar location directed to residents of ~~the State of Georgia~~
134 this state.

135 (D) 'Portable electronics' means handsets, pagers, personal digital assistants, portable
136 computers, automatic answering devices, cellular telephones, batteries, and other
137 similar devices and their accessories and includes services related to the use of such
138 devices, including, but not limited to, individual customer access to a wireless network.

139 (E) 'Portable electronics insurance' means insurance providing coverage for the repair
140 or replacement of portable electronics which may provide coverage for portable
141 electronics against any one or more of the following ~~causes of loss~~: loss, theft,
142 inoperability due to mechanical failure, malfunction, damage, or other similar causes
143 of loss. Such term shall not include a service contract or extended warranty providing
144 coverage limited to the repair, replacement, or maintenance of property in cases of
145 operational or structural failure due to a defect in materials, workmanship, accidental
146 damage from handling power surges, or normal wear and tear.

147 (F) 'Portable electronics transaction' means the sale or lease of portable electronics by
148 a vendor to a customer or the sale of a service related to the use of portable electronics
149 by a vendor to a customer.

150 (G) 'Supervising entity' means a business entity that is a licensed insurer, or insurance
151 producer that is authorized by a licensed insurer, to supervise the administration of a
152 portable electronics insurance program.

153 (H) 'Vendor' means a person in the business of engaging in portable electronics
154 transactions directly or indirectly.

155 (2) ~~The commissioner~~ Commissioner may issue to a retail vendor of portable electronics
156 that has complied with the requirements of this subsection a limited license authorizing
157 the limited licensee to offer or sell portable electronics insurance policies."

158 "(4) The supervising entity shall maintain a registry of vendor locations that are
159 authorized to sell or solicit portable electronics insurance coverage in this state. Upon
160 request by the ~~commissioner~~ Commissioner and with ten ~~days~~ days' notice to the
161 supervising entity, the registry shall be open to inspection and examination by the
162 ~~commissioner~~ Commissioner during regular business hours of the supervising entity."

163 "(12) The employees and authorized representatives of vendors may sell or offer portable
164 electronics insurance to customers and shall not be subject to licensure as an insurance
165 producer under this Code section, provided that the supervising entity supervises the
166 administration of a training program in which employees and authorized representatives

167 of a vendor shall be trained and receive basic insurance instruction about the kind of
 168 coverage authorized in this subsection and offered for purchase by prospective
 169 purchasers. The training required by this subsection may be provided in electronic form.
 170 However, if provided in electronic form, the supervising entity shall implement a
 171 supplemental education program regarding the portable electronics insurance that is
 172 conducted and overseen by a ~~licensed~~ an instructor licensed under this article."

173 "(14) If a vendor or its employee or authorized representative violates any provision of
 174 this subsection, the ~~commissioner~~ Commissioner may impose any of the following
 175 penalties:

176 (A) After notice and hearing, fines not to exceed \$500.00 per violation or \$5,000.00
 177 in the aggregate for such conduct;

178 (B) After notice and hearing, other penalties that the ~~commissioner~~ Commissioner
 179 deems necessary and reasonable to carry out the purpose of this article, including:

180 (i) Suspending the privilege of transacting portable electronics insurance pursuant to
 181 this subsection at specific business locations where violations have occurred; and

182 (ii) Suspending or revoking the ability of individual employees or authorized
 183 representatives to act under the license;

184 (15) Notwithstanding any other provision of law:

185 (A) An insurer may terminate or otherwise change the terms and conditions of a policy
 186 of portable electronics insurance only upon providing the policyholder and enrolled
 187 customers with at least 60 days' notice;

188 (B) If the insurer changes the terms and conditions, then ~~the~~ such insurer shall provide
 189 the vendor with a revised policy or endorsement and each enrolled customer with a
 190 revised certificate, endorsement, updated brochure, or other evidence indicating a
 191 change in the terms and conditions has occurred and a summary of ~~material~~ such
 192 changes;

193 (C) ~~Notwithstanding paragraph (15) of subsection (a) of this Code section~~
 194 subparagraph (A) of this paragraph, an insurer may terminate an enrolled customer's
 195 enrollment under a portable electronics insurance policy upon 15 days' notice for
 196 discovery of fraud or material misrepresentation in obtaining coverage or in the
 197 presentation of a claim;

198 (D) ~~Notwithstanding paragraph (15) of subsection (a) of this Code section~~
 199 subparagraph (A) of this paragraph, an insurer may immediately terminate an enrolled
 200 customer's enrollment under a portable electronics insurance policy:

201 (i) For nonpayment of premium;

202 (ii) If the enrolled customer ceases to have an active service with the vendor of
 203 portable electronics; or

204 (iii) If the enrolled customer exhausts the aggregate limit of liability, if any, under the
 205 terms of the portable electronics insurance policy and the insurer sends notice of
 206 termination to the enrolled customer within 30 calendar days after exhaustion of the
 207 limit. However, if notice is not timely sent, enrollment shall continue notwithstanding
 208 the aggregate limit of liability until the insurer sends notice of termination to the
 209 enrolled customer; and

210 (E) ~~Where~~ When a portable electronics insurance policy is terminated by a
 211 policyholder, the vendor shall mail or deliver written notice to each enrolled customer
 212 advising the enrolled customer of the termination of the policy and the effective date
 213 of termination. The written notice shall be mailed or delivered to the enrolled customer
 214 at least 30 days prior to the termination.

215 (16) Whenever notice or correspondence with respect to a policy of portable electronics
 216 insurance is required pursuant to this subsection or is otherwise required by law, it shall
 217 be in writing and sent within the notice period, if any, specified within the statute or
 218 regulation requiring the notice or correspondence. Notwithstanding any other provision
 219 of law, notices and correspondence may be sent either by mail or by electronic means as
 220 set forth in this ~~subparagraph~~ paragraph. If the notice or correspondence is mailed, it
 221 shall be sent to the vendor of portable electronics at the vendor's mailing address
 222 specified for such purpose and to its affected enrolled customers' last known mailing
 223 addresses on file with the insurer. The insurer or vendor of portable electronics, as the
 224 case may be, shall maintain proof of mailing in a form authorized or accepted by the
 225 United States Postal Service or other commercial mail delivery service. If the notice or
 226 correspondence is sent by electronic means, it shall be sent to the vendor of portable
 227 electronics at the vendor's e-mail address specified for such purpose and to its affected
 228 enrolled customers' last known e-mail address as provided by each enrolled customer to
 229 the insurer or vendor of portable electronics, as the case may be. For purposes of this
 230 paragraph, an enrolled customer's provision of an e-mail address to the insurer or vendor
 231 of portable electronics, as the case may be, shall be deemed as consent to receive notices
 232 and correspondence by electronic means. The insurer or vendor of portable electronics,
 233 as the case may be, shall maintain proof that the notice or correspondence was sent."

234 "(e)(1) As used in this subsection, the term:

235 (A) 'Limited licensee' means an owner authorized to act as an agent of an insurance
 236 provider for purposes of selling certain insurance coverages for personal property
 237 maintained in self-service storage facilities pursuant to ~~the provisions of~~ this
 238 subsection."

239 "(7) Each owner licensed pursuant to this subsection shall provide a training program in
 240 which employees and authorized representatives of such owner shall be trained by a

241 ~~licensed an~~ instructor licensed pursuant to this article and receive basic insurance
 242 instruction about the kind of coverage authorized in this subsection and offered for
 243 purchase by prospective occupants."

244 **SECTION 8.**

245 Said title is further amended in Code Section 33-23-18, relating to issuance of license on
 246 biennial basis, filing for renewal, continuing education requirements, transition from annual
 247 renewal to biennial renewal, by revising subsections (a), (c), and (c.1) as follows:

248 "(a) All resident agent, limited subagent, adjuster, and counselor licenses, with the
 249 exception of temporary or probationary licenses, shall be issued on a biennial basis and
 250 shall expire on the last day of the licensee's birth month, ~~except as provided in subsection~~
 251 ~~(c.1) of this Code section.~~"

252 "(c) Renewal of the license on forms prescribed by rule or regulation must be made prior
 253 to the last day of the licensee's birth month and biennially thereafter, ~~except as provided~~
 254 ~~in subsection (c.1) of this Code section.~~

255 ~~(c.1) All licenses that expire on December 31, 2012, shall be transitioned to a biennial term~~
 256 ~~and shall expire on the last day of the licensee's birth month, provided that, during the~~
 257 ~~transition, the Commissioner may, as provided by rule or regulation, renew such licenses~~
 258 ~~for a term greater or shorter than the biennial term and may prorate the license renewal~~
 259 ~~fees."~~

260 **SECTION 9.**

261 Said title is further amended in Code Section 33-23-20, relating to effect of license
 262 suspension or placement of license on inactive status, by revising subsection (b) as follows:

263 "(b) In case of a sale of an agency upon a work-out basis, the ~~vendor~~ seller without
 264 maintaining his or her license or the executors and administrators of the ~~vendor's~~ seller's
 265 estate may participate in the proceeds of premiums on insurance written by the purchaser
 266 of the agency when and as authorized to do so by the contract of sale of the agency; and
 267 this participation may be without limitation of time after the ~~vendor~~ seller ceased to hold
 268 a license. An agent whose license has been suspended or placed in inactive status may,
 269 when the countersignature of a resident licensed agent is required pursuant to Code Section
 270 33-3-26 and if authorized by the insurer, countersign certificates and endorsements
 271 necessary to continue coverage to the expiration date, including renewal option periods."

272 **SECTION 10.**

273 Said title is further amended in Code Section 33-23-23, relating to limitation on application
 274 after refusal or revocation of license and effect of surrender of license under written consent
 275 order, by revising subsection (c) as follows:

276 "~~By law, any~~ Any surrender of a license under written consent order shall have the
 277 same effect as a revocation under subsections (a) and (b) of this Code section."

278 **SECTION 11.**

279 Said title is further amended in Code Section 33-23-28, relating to scope of subagent's
 280 authority and record of transactions, by revising subsection (d) as follows:

281 "(d) A record of each transaction shall be maintained jointly by ~~both~~ the agent and the
 282 subagent or limited subagent."

283 **SECTION 12.**

284 Said title is further amended in Code Section 33-23-29, relating to authority of agent to act
 285 as adjuster, nonresident, and reciprocal agreements, by revising paragraph (2) of subsection
 286 (b) as follows:

287 "(2) Of a nonresident adjuster who regularly adjusts in another state and who is licensed
 288 in such other state, if such state requires a license, to act as adjuster in this state for
 289 emergency insurance adjustment work for a period not exceeding 60 days and performed
 290 for an employer ~~who~~ that is an insurance adjuster licensed by this state or ~~who~~ that is a
 291 regular employer of one or more insurance adjusters licensed by this state, provided that
 292 ~~the~~ such employer shall furnish to the Commissioner a notice in writing immediately
 293 upon the beginning of the emergency insurance adjustment work. ~~The Commissioner~~
 294 ~~may by rule or regulation establish criteria and procedures for adjusters operating under~~
 295 ~~this Code section."~~

296 **SECTION 13.**

297 Said title is further amended in Code Section 33-23-31, relating to risk situs, service on
 298 nonresidents, and venue of action, by revising subsection (b) as follows:

299 "(b) Each nonresident by obtaining a license in this state or by doing business in this state
 300 shall be deemed to have consented that any notice provided in this chapter and any
 301 summons, notice, or process in connection with any action or proceeding in any state or
 302 federal court in this state, which notice, summons, or process grows out of or is based upon
 303 any business or acts done or omitted to be done in this state, may be sufficiently served
 304 upon such nonresident by serving the same upon the Commissioner. Service shall be made
 305 by leaving with the office of the Commissioner a copy of the notice, summons, or process

306 with a fee ~~in the hands of the Commissioner~~. The fee for such service shall be as provided
 307 by law. Such service shall be sufficient service upon the nonresident, provided that notice
 308 of the service and a copy of the notice, summons, or process shall be immediately sent by
 309 registered or certified mail or statutory overnight delivery by the plaintiff or by the
 310 Commissioner to the residence of the nonresident addressed to the nonresident. The
 311 nonresident's return receipt and the affidavit of compliance with the notice, summons, or
 312 process made by the plaintiff or the plaintiff's attorney or by the Commissioner shall be
 313 appended to the notice, summons, or process and filed with the case in the court where it
 314 is pending or filed with the Commissioner if in regard to a proceeding provided under this
 315 chapter. Venue of such an action shall be in the county of the residence of a plaintiff in the
 316 action, if the plaintiff resides in this state; otherwise venue shall be in Fulton County. The
 317 place of residence of a licensed nonresident placed on file by him or her with the
 318 Commissioner shall be deemed to be his or her place of residence until the nonresident
 319 places on file with the Commissioner a written notice stating another place of residence.
 320 As used in this subsection, the term 'process' shall include a petition or complaint attached
 321 thereto."

322 **SECTION 14.**

323 Said title is amended in Code Section 33-23-33, relating to duty of licensees to provide
 324 current information of names and addresses, by revising subsection (a) as follows:

325 "(a) Every licensee under this chapter shall keep the Commissioner advised of:

326 (1) The ~~the~~ office address of the licensee;

327 (2) The ~~the~~ residence address of the licensee;

328 (3) The ~~the~~ name and address of each insurer that the licensee represents directly or
 329 indirectly;

330 (4) The ~~the~~ name and address of each agency of which the licensee is proprietor, partner,
 331 officer, director, or employee or which the licensee represents;

332 (5) Every ~~every~~ trade name of such agency; and

333 (6) The ~~the~~ names of all partners and members of any firm or association and the
 334 corporate name of any corporation owning or operating ~~the~~ such agency as such
 335 information changes."

336 **SECTION 15.**

337 Said title is further amended in Code Section 33-23-35, relating to reporting and disposition
 338 of premiums, by revising subsection (c) as follows:

339 "(c) Any violation of this Code section shall constitute grounds or cause for action by the
 340 Commissioner, including, but not limited to, probation, suspension, or revocation of the

341 license. Each and every act by a licensee shall also constitute grounds for fines and
 342 penalties, which amounts shall be set by rule or regulation of the Commissioner. Any
 343 willful violation of this Code section shall constitute a misdemeanor unless such amounts
 344 involved exceed ~~\$500.00~~ \$1,000.00, whereby such violation shall constitute a felony."

345 **SECTION 16.**

346 Said title is further amended in Code Section 33-23-37, relating to licensing of surplus lines
 347 broker, application, bond, and written examination, by revising paragraphs (3) and (3.1) of
 348 subsection (b) as follows:

349 "(3) Each license shall be issued on a biennial basis and shall expire on the last day of
 350 the licensee's birth month and may be renewed by filing an application and paying the
 351 prescribed fee in accordance with this Code section ~~except as provided in paragraph (3.1)~~
 352 ~~of this subsection;~~

353 ~~(3.1) All licenses that expire on December 31, 2012, shall be transitioned to a biennial~~
 354 ~~term, provided that, during the transition, the Commissioner may, as provided by rule or~~
 355 ~~regulation, renew such licenses for a term greater or shorter than the biennial term and~~
 356 ~~may prorate the license renewal fees;"~~

357 **SECTION 17.**

358 Said title is further amended by revising Code Section 33-23-40, relating to contracts issued
 359 by unauthorized persons not rendered unenforceable and participants guilty of misdemeanor,
 360 as follows:

361 "33-23-40.

362 Any contract of insurance issued by a person prohibited by this chapter from so issuing it
 363 shall not be rendered unenforceable by reason of the violation of this chapter, but all
 364 persons knowingly participating in the violation shall be ~~guilty of a misdemeanor~~ subject
 365 to the provisions of Chapter 2 of this title."

366 **SECTION 18.**

367 Said title is further amended by revising Code Section 33-23-41, relating to liability and
 368 penalties for unauthorized acts, as follows:

369 "33-23-41.

370 Any person who in this state acts, purports to act, or holds himself or herself out as an
 371 agent, limited subagent, counselor, or adjuster or as an employee of an agent, limited
 372 subagent, counselor, or adjuster of or for an insurer that has not obtained from the
 373 Commissioner a certificate of authority then in effect to do business in this state as required
 374 by this title article or who has not obtained a certificate of authority as required by this

375 article and any person who in this state collects or forwards any premium or portion of the
 376 premium for or to the insurer shall pay a sum equal to the state, county, and municipal
 377 taxes and license fees required to be paid by the insurance companies legally doing
 378 business in this state. It is the Commissioner's duty to report violators of this Code section
 379 to the district attorney for the county in which the violations occurred. Violators of this
 380 Code section shall also be personally liable to the same extent as the insurer upon every
 381 contract of insurance made by the insurer with reference to a risk having a situs in this
 382 state, if the violator participated in the solicitation, negotiation, or making of the contract
 383 or in any endorsement to the contract, in any modification of the contract, or in the
 384 collection or forwarding of any premium or portion of the premium relating to such
 385 contract. This Code section shall have no application to a contract of insurance entered
 386 into in accordance with Chapter 5 of this title."

387 **SECTION 19.**

388 Said title is further amended in Code Section 33-23-43, relating to authority of adjusters and
 389 penalty for violation, by revising subparagraph (c)(4)(B) as follows:

390 "(B) Paying the insured or any person directly or indirectly associated with the ~~property~~
 391 claim any form of compensation, gift, prize, bonus, coupon, credit, referral fee, or other
 392 item of monetary value for any reason;"

393 **SECTION 20.**

394 Said title is further amended in Code Section 33-23-43.1, relating to requirements for public
 395 adjuster contracts, by revising paragraph (2) of subsection (c) as follows:

396 "(2) A provision that if the insured exercises the right to rescind the contract, anything
 397 of value given by the insured under the contract ~~will~~ shall be returned to the insured
 398 within 15 business days following the receipt by the public adjuster of the ~~cancellation~~
 399 rescission notice; and"

400 **SECTION 21.**

401 Said title is further amended by revising Code Section 33-23-45, relating to limitation on
 402 applicability of article, as follows:

403 "33-23-45.

404 ~~This article shall apply only with respect to acts occurring on or after July 1, 2002;~~
 405 ~~provided, however, that nothing in this Code section shall prevent the Commissioner from~~
 406 ~~implementing sanctions which were authorized by law with respect to acts occurring prior~~
 407 ~~to July 1, 2002~~ Reserved."

408

SECTION 22.

409 Said title is further amended in Code Section 33-23-101, relating to licensing of
 410 administrators; filing fee; refusal, suspension, or revocation of license; notice and hearing;
 411 reissuance of revoked license; appeal; probationary licenses; additional qualifications for
 412 license; restrictions on licensees; and penalties, by revising subsections (g) and (j) as follows:

413 "(g)(1) The Commissioner shall have the authority to issue a probationary license to any
 414 applicant under this ~~chapter~~ article.

415 (2) A probationary license may be issued for a period of not less than three months and
 416 not longer than 12 months and shall be subject to immediate revocation for cause at any
 417 time without a hearing.

418 (3) The Commissioner, at his or her discretion, shall prescribe the terms of probation,
 419 may extend the probationary period, or refuse to grant a license at the end of any
 420 probationary period."

421 "(j) The Commissioner may, at his or her discretion, assess a penalty or a fine against any
 422 business entity acting as an administrator without a license for each transaction in violation
 423 of this ~~chapter~~ article."

424

SECTION 23.

425 Said title is further amended in Code Section 33-24-3, relating to insurable interest – personal
 426 insurance, by revising subsection (k) as follows:

427 "(k) The insurable interests set forth in this Code section are not exclusive but are
 428 cumulative of and not in lieu of insurable interests existing in common law and not
 429 expressly set forth in this Code section. ~~No part of this Code section specifically~~
 430 ~~recognizing any insurable interest shall create any presumption or implication that such~~
 431 ~~insurable interest did not exist prior to July 1, 2006. To the contrary, an insurable interest~~
 432 ~~shall be presumed with respect to any life insurance policy issued prior to July 1, 2006, to~~
 433 ~~any person whose insurable interest is recognized in this Code section."~~

434

SECTION 24.

435 Said title is further amended by revising Code Section 33-24-4, relating to insurable
 436 interest – property insurance, as follows:

437 "33-24-4.

438 (a) As used in this Code section, 'insurable interest' means any actual, lawful, and
 439 substantial economic interest in the safety or preservation of the subject of the insurance
 440 free from loss, destruction, or pecuniary damage or impairment.

441 (b) No insurance contract on property or of any interest therein or arising therefrom shall
 442 be enforceable except for the benefit of persons having, at the time of the loss, an insurable
 443 interest in the things insured.

444 ~~(c) The measure of an insurable interest in property is the extent to which the insured~~
 445 ~~might be damaged by loss, injury, or impairment of such interest in such property."~~

446 **SECTION 25.**

447 Said title is further amended in Code Section 33-24-6, relating to consent of insured to
 448 insurance contract, exceptions, and reliance by insurer on statements in application, by
 449 revising paragraph (1) of subsection (b) as follows:

450 "(b)(1) If a contract of life insurance is issued as authorized in paragraph (4) or (5) of
 451 subsection (a) of this Code section, the insurer shall be required to give written notice of
 452 such life insurance in accordance with paragraph (3) of this subsection and provide the
 453 employees an opportunity to refuse to participate. For all contracts of life insurance
 454 issued or delivered for issuance in this state ~~after July 1, 2003~~, pursuant to paragraph (4)
 455 or (5) of subsection (a) of this Code section, the written consent of each individual
 456 proposed to be insured shall be obtained prior to the issuance of a policy on such
 457 individual. Written consent shall include an acknowledgment that the corporation may
 458 maintain life insurance coverage on such individual after such individual's employment
 459 with the corporation has terminated."

460 **SECTION 26.**

461 Said title is further amended in Code Section 33-24-10, relating to grounds for disapproval
 462 of forms, by revising paragraph (6) as follows:

463 "(6) If the benefits provided in any medicare supplement insurance policy ~~defined~~
 464 described in Code Section 33-24-29 are unreasonable in relation to the premium charged."

465 **SECTION 27.**

466 Said title is further amended by revising Code Section 33-24-10.1, relating to standard or
 467 uniform claim form, as follows:

468 "33-24-10.1.

469 The Commissioner is authorized to establish by rule or regulation a standard or uniform
 470 claim form to be supplied by insurers ~~on and after January 1, 1994~~, to their insureds for the
 471 purpose of filing claims under policies or contracts of accident and sickness insurance. The
 472 Commissioner shall file and maintain on file in the office of the Commissioner a true copy
 473 of the standard or uniform claim form designated as such and bearing the Commissioner's
 474 authenticating signature and the date of filing."

475 **SECTION 28.**

476 Said title is further amended in Code Section 33-24-11, relating to waiver by Commissioner
 477 of use of standard or uniform provision in policies or contracts and approval of use of
 478 substitute provisions, by revising subsection (a) as follows:

479 "(a) The Commissioner may waive the required use of a particular provision in a particular
 480 insurance policy form or annuity or endowment contract form if ~~he~~ the Commissioner finds
 481 ~~the~~ such provision unnecessary for the protection of the insured or inconsistent with the
 482 purposes of the policy and if the policy is otherwise approved by ~~him~~ the Commissioner."

483 **SECTION 29.**

484 Said title is further amended in Code Section 33-24-12, relating to noncomplying conditions
 485 or provisions and cancellation of contracts covering uninsurable subjects, by revising
 486 subsection (a) as follows:

487 "(a) Any insurance policy, rider, or endorsement issued ~~after January 1, 1961,~~ and
 488 otherwise valid which contains any condition or provision not in compliance with the
 489 requirements of this title shall not be rendered invalid due to the noncomplying condition
 490 or provision but shall be construed and applied in accordance with such conditions and
 491 provisions as would have applied had the policy, rider, or endorsement been in full
 492 compliance with this title."

493 **SECTION 30.**

494 Said title is further amended in Code Section 33-24-16.1, relating to clarification of term
 495 "actual charge" or "actual fee", by revising subsection (b) as follows:

496 "(b) The General Assembly finds and declares that the provisions of subsection (a) of this
 497 Code section are intended to clarify the ~~current~~ correct interpretation of the defined terms
 498 for instances in which the particular insurance policy does not otherwise contain a
 499 definition."

500 **SECTION 31.**

501 Said title is further amended in Code Section 33-24-18, relating to contents of insurance
 502 policies and annuity contracts generally, by revising subsection (e) as follows:

503 "(e) All policies and annuity contracts issued by ~~domestic~~ admitted insurers and the forms
 504 of the policies and annuity contracts filed with the Commissioner shall have printed thereon
 505 an appropriate designating letter or figure or combination of letters or figures or terms
 506 identifying the respective forms of policies or contracts. Whenever any change is made in
 507 any form, the designating letters, figures, or terms thereon shall be correspondingly
 508 changed."

509

SECTION 32.

510 Said title is further amended in Code Section 33-24-19.1, relating to certificate of insurance
 511 forms to be approved by Commission, definitions, and required provisions of certificate, by
 512 revising paragraph (4) of subsection (a) and subsection (i) as follows:

513 "(4) 'Insurer' means any person engaged as indemnitor, surety, or contractor who issues
 514 insurance as defined by Code Sections 33-7-3 and 33-7-6. Nothing in this Code section
 515 shall apply to or affect any offering of accident, sickness, or disability insurance by a
 516 fraternal benefit society, as provided under Code Section 33-15-60; ~~nonprofit medical~~
 517 ~~service corporations, as provided under Chapters 18 and 19 of this title;~~ health care plans,
 518 as provided under Chapter 20 of this title; health maintenance organizations, as provided
 519 under Chapter 21 of this title; any provisions of accident and sickness insurance policies
 520 generally, as provided under Code Sections 33-24-20 through 33-24-31; individual
 521 accident and sickness insurance, as provided under Chapter 29 of this title; or group or
 522 blanket accident and sickness insurance, as provided under Chapter 30 of this title."

523 "(i) ~~The provisions of this~~ This Code section shall apply to all certificate holders,
 524 policyholders, insurers, insurance producers, and certificate of insurance forms issued as
 525 evidence of insurance coverages on property, operations, or risks located in this state,
 526 regardless of where the certificate holder, policyholder, insurer, or insurance producer is
 527 located."

528

SECTION 33.

529 Said title is further amended in Code Section 33-24-21.1, relating to group accident and
 530 sickness contracts, conversion privilege and continuation right provisions, and impact of
 531 federal legislation, by revising paragraph (1) of subsection (a), subparagraph (a)(2)(C),
 532 subsection (a.1), subsection (a.2), paragraph (2) of subsection (c), subparagraphs (c)(2)(B)
 533 and (c)(2)(C), paragraph (3) of subsection (c), and subsections (d), (l), and (m) as follows:

534 "(1) ~~'Assistance-eligible~~ Assistance-eligible individual' shall have the same meaning as
 535 provided by Section 3001 of Title III of the federal American Recovery and
 536 Reinvestment Act of 2009, as amended."

537 "(C) An individual accident and sickness insurance policy, including coverage issued
 538 by a health maintenance organization, ~~nonprofit hospital or nonprofit medical service~~
 539 ~~corporation,~~ health care corporation, or fraternal benefit society;"

540 "(a.1) Any group member or qualifying eligible individual who is an ~~assistance-eligible~~
 541 assistance-eligible individual as provided by Section 3001 of Title III of the federal
 542 American Recovery and Reinvestment Act (P.L. 111-5), as amended, during the period
 543 permitted under such act whose coverage has been terminated and who has been
 544 continuously covered under the group contract or group plan, and under any contract or

545 plan providing similar benefits that it replaces, for at least six months immediately prior
 546 to such termination, shall be entitled to have his or her coverage and the coverage of his or
 547 her eligible dependents continued under the contract or plan in accordance with paragraph
 548 (2) of subsection (c) of this Code section. Such coverage shall continue for the fractional
 549 policy month remaining, if any, at termination plus up to the maximum number of
 550 additional policy months specified in paragraph (2) of subsection (c) of this Code section
 551 upon payment of the premium to the insurer by cash, certified check, or money order, at
 552 the same rate for active group members set forth in the contract or plan, on a monthly basis
 553 in advance as such premium becomes due during this coverage period. An ~~assistance~~
 554 ~~eligible~~ assistance-eligible individual who is in a transition period as defined in Section
 555 3001 of Title III of the federal American Recovery and Reinvestment Act (P.L. 111-5), as
 556 amended, shall be treated for purposes of any continuation of coverage provision as having
 557 timely paid such premium if such individual was covered under the continuation of
 558 coverage to which such premium relates for the period immediately preceding such
 559 transition period, if such individual remains eligible for such continuation of coverage, and
 560 if such individual pays the amount of such premium not later than 30 days after the date
 561 of provision of notice regarding eligibility for extended continuation of coverage. For the
 562 period that the ~~assistance-eligible~~ assistance-eligible individual is eligible for the premium
 563 reduction assistance as provided in Section 3001 of Title III of the federal American
 564 Recovery and Reinvestment Act (P.L. 111-5), as amended, such premium payment shall
 565 be calculated as 35 percent of the rate for active group members including any portion of
 566 the premium paid by a former employer or other person if such employer or other person
 567 no longer contributes premium payments for this coverage.

568 (a.2) The rights and benefits under this Code section attributable to Section 3001 of Title
 569 III of the federal American Recovery and Reinvestment Act (P.L. 111-5), as amended, shall
 570 expire when that ~~act~~ Act expires. Any extension of such benefits shall require an Act of
 571 the Georgia General Assembly. Under no circumstances shall the extended benefits for
 572 ~~assistance-eligible~~ assistance-eligible individuals become the responsibility of ~~the State of~~
 573 ~~Georgia~~ this state or any insurer after the expiration of the premium subsidy made available
 574 to individuals pursuant to Section 3001 of Title III of the federal American Recovery and
 575 Reinvestment Act (P.L. 111-5), as amended."

576 "(2) Any group member or qualifying eligible individual who is an ~~assistance-eligible~~
 577 assistance-eligible individual has a right to elect continuation of his or her coverage and
 578 the coverage of his or her dependents at any time between May 5, 2009, and 60 days after
 579 receiving notice from the employer's insurer of the right to participate in state
 580 continuation benefits under this Code section in accordance with Section 3001 of Title

581 III of the federal American Recovery and Reinvestment Act (P.L. 111-5), as amended,
582 if:"

583 "(B) The individual was eligible for state continuation under this ~~chapter~~ Code section
584 at the time of termination;

585 (C) The individual continues to be eligible for state continuation benefits under this
586 ~~chapter~~ Code section, provided that the total period of continuous eligibility shall not
587 exceed the number of policy months equal to the maximum premium reduction period
588 specified in Section 3001 of Title III of the federal American Recovery and
589 Reinvestment Act (P.L. 111-5), as amended, as measured from the month of the
590 qualifying event making the individual an ~~assistance-eligible~~ assistance-eligible
591 individual; and"

592 "(3) In addition to the group policy under which the group member was insured, the
593 group member and any qualifying eligible individual shall, to the extent that such plan
594 is ~~currently~~ offered under the group plans offered by the company, also be offered the
595 option of continuation coverage through a high deductible health plan, or its actuarial
596 equivalent, that is eligible for use with a health savings account under the applicable
597 provisions of Section 223 of the Internal Revenue Code. Such high deductible health
598 plans shall have premiums consistent with the underlying group plan of coverage rated
599 relative to the standard or manual rates for the benefits provided.

600 (d)(1) A group member shall not be entitled to have coverage continued if:

601 (A) ~~termination~~ Termination of coverage occurred because the employment of the
602 group member was terminated for cause;

603 (B) ~~termination~~ Termination of coverage occurred because the group member failed to
604 pay any required contribution; or

605 (C) ~~any~~ Any discontinued group coverage is immediately replaced by similar group
606 coverage including coverage under a health benefits plan as defined in the federal
607 Employee Retirement Income Security Act of 1974, 29 U.S.C. Section 1001, et seq.
608 Further, a group member shall not be entitled to have coverage continued if the group
609 contract or group plan was terminated in its entirety or was terminated with respect to
610 a class to which the group member belonged. This subsection shall not affect
611 conversion rights available to a qualifying eligible individual under any contract or
612 plan.

613 (2) A qualifying eligible individual shall not be entitled to have coverage continued if
614 the most recent creditable coverage within the coverage period was terminated based on
615 one of the following factors:

616 (A) ~~failure~~ Failure of the qualifying eligible individual to pay premiums or
 617 contributions in accordance with the terms of the health insurance coverage or failure
 618 of the issuer to receive timely premium payments;

619 (B) ~~the~~ The qualifying eligible individual has performed an act or practice that
 620 constitutes fraud or made an intentional misrepresentation of material fact under the
 621 terms of coverage; or

622 (C) ~~any~~ Any discontinued group coverage is immediately replaced by similar group
 623 coverage, including coverage under a health benefits plan as defined in the federal
 624 Employee Retirement Income Security Act of 1974, 29 U.S.C. Section 1001, et seq.
 625 This subsection shall not affect conversion rights available to a group member under
 626 any contract or plan."

627 "(l) As soon as practicable, but no later than June 4, 2009, the Commissioner shall develop
 628 and direct insurers to issue notices for ~~assistance-eligible~~ assistance-eligible individuals
 629 regarding availability of expanded eligibility and continuation coverage assistance to be
 630 sent to the last known addresses of such ~~assistance-eligible~~ assistance-eligible individuals.

631 (m) Nothing in this ~~chapter~~ Code section shall imply that individuals entitled to
 632 continuation coverage who are not ~~assistance-eligible~~ assistance-eligible individuals shall
 633 receive benefits beyond the period of coverage provided in paragraph (1) of subsection (c)
 634 of this Code section or that ~~assistance-eligible~~ assistance-eligible individuals are entitled
 635 to any continuation benefit period beyond what is provided by Section 3001 of Title III of
 636 the federal American Recovery and Reinvestment Act of 2009 or extensions to that Act
 637 which are enacted on and after May 5, 2009."

638 **SECTION 34.**

639 Said title is amended in Code Section 33-24-22, relating to provision in health insurance
 640 policies for coverage of newly born or adopted children, by revising subsection (e) as
 641 follows:

642 "~~(e) The requirements of this Code section shall apply to all insurance policies and~~
 643 ~~subscriber contracts delivered or issued for delivery in this state on or after July 1, 1998.~~
 644 Reserved."

645 **SECTION 35.**

646 Said title is amended by revising Code Section 33-24-23, relating to provision in group
 647 policies of accident and sickness insurance for exclusion or reduction of benefits, as follows:
 648 "33-24-23.

649 Notwithstanding any other provisions in this title to the contrary, no group policy of
 650 accident and sickness insurance offered for sale in this state shall be issued or renewed ~~after~~

651 ~~April 17, 1975~~, by any insurer transacting business in this state, or health care plan under
 652 Chapter 20 of this title, which by the terms of the group policy excludes or reduces the
 653 benefits payable or services to be rendered to or on behalf of any insured by reason of the
 654 fact that benefits have been paid or are also payable under any blanket school accident
 655 policy regardless of who makes the premium contribution or any individually underwritten
 656 and individually issued contract or plan of insurance which provides exclusively for
 657 accident and sickness benefits and for which 100 percent of the premiums have been paid
 658 by the insured or a member of the insured's family, irrespective of the mode or channel of
 659 premium payment to the insurer or any discount received on such premium by virtue of the
 660 insured's membership in any organization or status as an employee. Any policy provision
 661 in violation of this Code section shall be void and unenforceable. Nothing in this Code
 662 section shall affect the practice of coordinating benefits between group policies issued
 663 pursuant to Chapter 30 of this title."

664 **SECTION 36.**

665 Said title is further amended in Code Section 33-24-24, relating to provision in group or
 666 blanket accident and sickness policies of coverage for complications of pregnancy, by
 667 revising subsection (b) as follows:

668 "(b) Each group policy or group contract issued, delivered, issued for delivery, amended,
 669 or renewed in this state ~~after January 1, 1978~~, which provides major medical coverage and
 670 which includes maternity benefits shall include complications of pregnancy within such
 671 major medical coverage for all persons who have been covered by the policy or contract
 672 for a period of nine months or for a period of at least 30 days immediately prior to the date
 673 conception occurs or pregnancy commences. The same coverage for complications of
 674 pregnancy shall be provided for all family members and dependents with major medical
 675 coverage under the group policy or group contract."

676 **SECTION 37.**

677 Said title is further amended by revising Code Section 33-24-25, relating to provisions in
 678 group or blanket policies excluding or reducing coverage of persons eligible for or receiving
 679 medical assistance, as follows:

680 "33-24-25.

681 No group or blanket accident and sickness policy shall contain any provision purporting
 682 to exclude or reduce coverage provided an otherwise insurable person solely for the reason
 683 that the person is eligible for or receiving medical assistance as defined in Article 7 of
 684 Chapter 4 of Title 49. Any such provision appearing in a group or blanket accident and
 685 sickness insurance policy ~~subsequent to July 1, 1978~~, shall be null and void."

686

SECTION 38.

687 Said title is further amended in Code Section 33-24-26.1, relating to provisions required in
 688 group policies or contracts of disability income insurance covering preexisting conditions
 689 and restrictions on preexisting condition limitations or exclusions, by revising subsection (d)
 690 as follows:

691 ~~"(d) This Code section shall apply to group policies or contracts of disability income~~
 692 ~~insurance issued, delivered, issued for delivery, or renewed in this state on or after July 1,~~
 693 ~~1995. Reserved."~~

694

SECTION 39.

695 Such title is further amended in Code Section 33-24-27, relating to provision for
 696 reimbursement for services within the lawful scope of practice of psychologists or
 697 chiropractors, by revising subsection (b) as follows:

698 "(b) Notwithstanding any provisions in policies or contracts which might be construed to
 699 the contrary, ~~from and after July 1, 1980,~~ all individual, group, or blanket policies of
 700 accident and sickness insurance and individual or group service ~~or indemnity~~ contracts
 701 ~~issued by nonprofit corporations or by health care corporations~~ which are issued, delivered,
 702 issued for delivery, amended, or renewed in this state and which provide coverage for
 703 services which are within the lawful scope of practice of a psychologist or chiropractor
 704 duly licensed to practice in this state shall be deemed to provide that any person covered
 705 under the policies or contracts shall be entitled to receive reimbursement for services under
 706 the policies or contracts regardless of whether they are rendered by a duly licensed doctor
 707 of medicine or by a duly licensed psychologist or chiropractor."

708

SECTION 40.

709 Said title is further amended by revising Code Section 33-24-27.1, relating to provision for
 710 reimbursement for services within the lawful scope of practice of optometrists, as follows:

711 "33-24-27.1.

712 ~~(a)~~ Notwithstanding any provisions in such policies or contracts which might be construed
 713 to the contrary, ~~from and after July 1, 1981,~~ all individual and group or blanket policies of
 714 accident and sickness insurance and individual or group service ~~or indemnity~~ contracts
 715 ~~issued by nonprofit corporations, pursuant to Chapters 18 and 19 of this title, or by health~~
 716 ~~care corporations, pursuant to Chapter 20 of this title,~~ which policies are issued, delivered,
 717 issued for delivery, amended, or renewed in this state and which provide coverage for
 718 services which are within the lawful scope of practice of an optometrist duly licensed to
 719 practice in this state, shall be deemed to provide that any person covered under such
 720 policies or contracts shall be entitled to receive reimbursement for such services under such

721 policies or contracts regardless of whether they are rendered by a duly licensed doctor of
 722 medicine or by a duly licensed optometrist.
 723 ~~(b) This Code section shall not be construed so as to impair the obligation of any policy~~
 724 ~~or contract which is in existence prior to July 1, 1981."~~

725 **SECTION 41.**

726 Said title is further amended by revising Code Section 33-24-27.2, relating to provision for
 727 reimbursement for services within the lawful scope of practice of athletic trainers, as follows:
 728 "33-24-27.2.

729 (a) Notwithstanding any provisions in policies or contracts which might be construed to
 730 the contrary, ~~from and after July 1, 1999~~, all individual, group, or blanket policies of
 731 accident and sickness insurance and individual or group service ~~or indemnity~~ contracts
 732 ~~issued by nonprofit corporations~~ or by health care corporations which are issued, delivered,
 733 issued for delivery, amended, or renewed in this state and which provide coverage for
 734 services which are within the lawful scope of practice of an athletic trainer qualified
 735 pursuant to Code Section 43-5-8 shall be deemed to provide that any person covered under
 736 such policies or contracts shall be entitled to receive reimbursement for services under such
 737 policies or contracts regardless of whether such services are rendered by a duly licensed
 738 doctor of medicine or by an athletic trainer qualified pursuant to Code Section 43-5-8.
 739 Nothing contained in this subsection shall require an insurer to offer such coverage.

740 ~~(b) This Code section shall not be construed so as to impair the obligation of any policy~~
 741 ~~or contract which is in existence prior to July 1, 1999."~~

742 **SECTION 42.**

743 Said title is further amended in Code Section 33-24-28, relating to termination of coverage
 744 of dependent child upon attainment of specified age, by revising subsections (a) and (b) as
 745 follows:

746 "(a) An individual hospital or medical expense insurance policy or hospital ~~or medical~~
 747 ~~service plan~~ contract which provides that coverage of a dependent child shall terminate
 748 upon attainment of the limiting age for dependent children specified in the policy or
 749 contract shall also provide in substance that attainment of the limiting age shall not operate
 750 to terminate the coverage of the child while the child is and continues to be both incapable
 751 of self-sustaining employment by reason of developmental disability or physical disability
 752 as determined by the Department of Behavioral Health and Developmental Disabilities and
 753 chiefly dependent upon the policyholder or subscriber for support and maintenance,
 754 provided proof of incapacity and dependency is furnished to the insurer; or hospital, ~~or~~
 755 ~~medical service plan corporation~~ by the policyholder or subscriber within 31 days of the

756 child's attainment of the limiting age and subsequently as may be required by the insurer
 757 or corporation but not more frequently than annually after the two-year period following
 758 the child's attainment of the limiting age.

759 (b) A group hospital or medical expense insurance policy or hospital ~~or medical service~~
 760 ~~plan~~ contract which provides that coverage of a dependent child of an employee or other
 761 member of the covered group shall terminate upon attainment of the limiting age for
 762 dependent children specified in the policy or contract shall also provide in substance that
 763 attainment of such limiting age shall not operate to terminate the coverage of the child
 764 while the child is and continues to be both incapable of self-sustaining employment by
 765 reason of developmental disability or physical disability as determined by the Department
 766 of Behavioral Health and Developmental Disabilities and chiefly dependent upon the
 767 employee or member for support and maintenance, provided proof of incapacity and
 768 dependency is furnished to the insurer or hospital ~~or medical service plan corporation~~ by
 769 the employee or member within 31 days of the child's attainment of the limiting age and
 770 subsequently as may be required by the insurer or corporation but not more frequently than
 771 annually after the two-year period following the child's attainment of the limiting age."

772

SECTION 43.

773 Said title is further amended in Code Section 33-24-28.1, relating to coverage of treatment
 774 of mental disorders, by revising subsections (b) and (d) as follows:

775 "(b) Every insurer authorized to issue accident and sickness insurance benefit plans,
 776 policies, or contracts shall be required to make available, either as a part of or as an
 777 optional endorsement to all such policies providing major medical insurance coverage
 778 which are issued, delivered, issued for delivery, or renewed ~~on or after July 1, 1984,~~
 779 coverage for the treatment of mental disorders, which coverage shall be at least as
 780 extensive and provide at least the same degree of coverage as that provided by the
 781 respective plan, policy, or contract for the treatment of other types of physical illnesses.
 782 Such an optional endorsement shall also provide that the coverage required to be made
 783 available pursuant to this Code section shall also cover the spouse and the dependents of
 784 the insured if ~~the~~ such insured's spouse and dependents are covered under such benefit plan,
 785 policy, or contract. In no event shall such an insurer be required to cover inpatient
 786 treatment for more than a maximum of 30 days per policy year or outpatient treatment for
 787 more than a maximum of 48 visits per policy year under individual policies."

788 "(d) Nothing in this Code section shall be construed to prohibit an insurer, ~~nonprofit~~
 789 ~~corporation~~, health care plan, health maintenance organization, or other person issuing any
 790 similar accident and sickness insurance benefit plan, policy, or contract from issuing or
 791 continuing to issue an accident and sickness insurance benefit plan, policy, or contract

792 which provides benefits greater than the minimum benefits required to be made available
 793 under this Code section or from issuing any such plans, policies, or contracts which provide
 794 benefits which are generally more favorable to the insured than those required to be made
 795 available under this Code section."

796 **SECTION 44.**

797 Said title is further amended in Code Section 33-24-29, relating to coverage for treatment of
 798 mental disorders under accident and sickness insurance benefit plans providing major
 799 medical benefits covering small groups and federal law, by revising subsection (c) as
 800 follows:

801 "(c) Every insurer authorized to issue accident and sickness insurance benefit plans,
 802 policies, or contracts shall be required to make available, either as a part of or as an
 803 optional endorsement to all such policies providing major medical insurance coverage
 804 which are issued, delivered, issued for delivery, or renewed ~~on or after July 1, 1998,~~
 805 coverage for the treatment of mental disorders, which coverage shall be at least as
 806 extensive and provide at least the same degree of coverage and the same annual and
 807 lifetime dollar limits, but which may provide for different limits on the number of inpatient
 808 treatment days and outpatient treatment visits, as that provided by the respective plan,
 809 policy, or contract for the treatment of other types of physical illnesses. Such an optional
 810 endorsement shall also provide that the coverage required to be made available pursuant
 811 to this Code section shall also cover the spouse and the dependents of the insured if the
 812 insured's spouse and dependents are covered under such benefit plan, policy, or contract."

813 **SECTION 45.**

814 Said title is further amended in Code Section 33-24-29.1, relating to coverage for mental
 815 disorders under accident and sickness insurance benefit plans providing major medical
 816 benefits covering all groups except small groups, by revising subsection (c) as follows:

817 "(c) Every insurer authorized to issue accident and sickness insurance benefit plans,
 818 policies, or contracts shall be required to make available, either as a part of or as an
 819 optional endorsement to all such policies providing major medical insurance coverage
 820 which are issued, delivered, issued for delivery, or renewed ~~on or after July 1, 1998,~~
 821 coverage for the treatment of mental disorders, which coverage shall be at least as
 822 extensive and provide at least the same degree of coverage and the same annual and
 823 lifetime dollar limits as that provided by the respective plan, policy, or contract for the
 824 treatment of other types of physical illnesses. Such an optional endorsement shall also
 825 provide that the coverage required to be made available pursuant to this Code section shall

826 also cover the spouse and the dependents of the insured if the insured's spouse and
827 dependents are covered under such benefit plan, policy, or contract."

828 **SECTION 46.**

829 Said title is further amended by revising Code Section 33-24-31, relating to provision in
830 group disability income policies for offsetting of increased social security benefits, as
831 follows:

832 "33-24-31.

833 (a) No group disability income policy which integrates benefits shall provide that the
834 amount of any disability benefit actually being paid to the disabled person shall be reduced
835 by changes in the level of social security benefits resulting either from changes in the
836 federal Social Security Act or due to cost-of-living adjustments provided in the federal
837 Social Security Act, which become effective after the first day for which disability benefits
838 become payable.

839 (b) ~~This Code section shall apply to all group disability income policies delivered or issued~~
840 ~~for delivery in this state on or after July 1, 1979."~~

841 **SECTION 47.**

842 Said title is further amended by revising Code Section 33-24-34, relating to group insurance
843 for government employees – authorization generally and deduction of premiums from wages
844 or salaries, as follows:

845 "33-24-34.

846 Each and every county, county board of ~~public instruction~~ education, city, town,
847 governmental unit, department, board, or bureau of this state or of the cities and towns of
848 this state is authorized to make deductions periodically from the wages or salaries of its
849 employees with which to pay the premium for life, accident and sickness, hospitalization,
850 or annuity insurance, or any other kind of insurance, for the benefit of such employees
851 upon a group insurance plan and to that end to enter into agreements with insurance
852 companies whereby the kind of group insurance desired by the employees may be
853 furnished to them and the premiums for the group insurance remitted periodically by the
854 counties, boards, cities, towns, ~~bureaus, or units,~~ departments, or bureaus."

855 **SECTION 48.**

856 Said title is further amended by revising Code Section 33-24-37, relating to group insurance
857 for government employees – effect upon local and special laws, as follows:

858 "33-24-37.
 859 ~~Nothing in Code Sections 33-24-34 and 33-24-35 is intended to restrict or repeal the~~
 860 ~~operation of any special or local law enacted prior to January 1, 1961, authorizing the~~
 861 ~~participation in group insurance by employees of the state or counties, cities, or towns of~~
 862 ~~the state Reserved.~~"

863 **SECTION 49.**

864 Said title is further amended in Code Section 33-24-41.1, relating to motor vehicle accident
 865 claim covered by two or more insurance carriers and limited release, by revising subsection
 866 (c) as follows:

867 "(c) No policy of uninsured or underinsured motorist coverage issued in this state ~~after~~
 868 ~~July 1, 1994~~, shall prohibit any claimant from settling any claim with a liability carrier as
 869 provided in subsection (a) of this Code section or require the permission of the uninsured
 870 or underinsured motorist carrier to so settle any claim with the liability carrier."

871 **SECTION 50.**

872 Said title is further amended in Code Section 33-24-41.2, relating to written notice by insurer
 873 to claimant of payment of claim in third-party settlement, by revising subsection (b) as
 874 follows:

875 "(b) Nothing in subsection (a) of this Code section shall:

876 (1) Create, create, or be construed to create, a cause of action for any person or entity,
 877 other than the Commissioner of Insurance, against the insurer or its representative based
 878 upon a failure to serve such notice or the defective service of such notice.;

879 (2) Establish, ~~Nothing in subsection (a) of this Code section shall establish~~, or be
 880 construed to establish, a defense for any party to any cause of action based upon a failure
 881 by the insurer or its representative to serve such notice or the defective service of such
 882 notice.;

883 (3) Invalidate ~~Nothing in subsection (a) of this Code section shall invalidate~~ or in any
 884 way affect the settlement for which the payment was made by the insurer."

885 **SECTION 51.**

886 Said title is further amended in Code Section 33-24-44.1, relating to procedure for
 887 cancellation by insured and notice, by revising subsection (a) as follows:

888 "(a) An insured may request cancellation of an existing insurance policy by returning the
 889 original policy to the insurer or by making a request for cancellation of an insurance policy
 890 to the insurer or its duly authorized agent orally, electronically, or in writing stating a future
 891 date on which the policy is to be canceled. In the event of oral cancellation the insurer,

892 shall; within ~~10~~ ten days provide such insured; electronically or in writing, confirmation
 893 of such requested cancellation. The insurer or its duly authorized agent may require that
 894 the insured provide written, electronic, or other recorded verification of the request for
 895 cancellation prior to such cancellation taking effect. Such cancellation shall be
 896 accomplished in the following manner:

897 (1) If only the interest of the insured is affected, the policy shall be canceled on the later
 898 of the date the returned policy or request is received by the insurer or its duly authorized
 899 agent or the date specified in the request; provided, however, that upon receipt of a
 900 request for cancellation from an insured, an insurer may waive the future date
 901 requirement by confirming the date and time of cancellation to the insured and the insurer
 902 shall document in its policy file the request for cancellation along with the date of the
 903 requested cancellation;

904 (2) If by statute, regulation, or contract the insurance policy may not be canceled unless
 905 notice is given to a governmental agency, mortgagee, or other third party, the insurer
 906 shall mail or deliver such notice stating the date cancellation shall become effective, but
 907 such date shall not be less than ten days from the date of mailing or delivery of the
 908 notice."

909 **SECTION 52.**

910 Said title is further amended in Code Section 33-24-47.1, relating to notice prior to
 911 cancellation or nonrenewal of individual or group accident and sickness policy, by revising
 912 subsections (a) and (b) as follows:

913 "(a) This Code section shall apply only to policies, contracts, or certificates of insurance
 914 insuring against loss resulting from sickness or from bodily injury or death by accident, or
 915 both, or any contract to furnish ambulance service in the future governed by the provisions
 916 of Chapters 15, ~~18, 19~~, 20, 21, 30, and 42 of this title.

917 (b) No insurer shall refuse to renew a policy to which this Code section applies unless a
 918 written notice of nonrenewal is mailed or delivered in person to the group policyholder.
 919 Such notice stating the time when nonrenewal will be effective, which shall not be less than
 920 60 days from the date of mailing or delivery of such notice of nonrenewal or such longer
 921 period as may be provided in the contract or by statute, shall be delivered as provided in
 922 subsection (d) of Code Section 33-24-14 in person or by depositing the notice in the United
 923 States mail to be dispatched by at least first-class mail to the last address of record of the
 924 group policyholder and receiving the receipt provided by the United States Postal Service
 925 or such other evidence of mailing as prescribed or accepted by the United States Postal
 926 Service."

927 **SECTION 53.**

928 Said title is further amended in Code Section 33-24-56, relating to prohibition against
 929 requiring referral from primary care physician to dermatologist, by revising subsection (c)
 930 as follows:

931 "(c) No health benefit policy which is issued, delivered, issued for delivery, or renewed in
 932 this state ~~on or after July 1, 1995~~, shall require as a condition to the coverage of
 933 dermatological services that an enrollee, subscriber, or insured first obtain a referral from
 934 a primary care physician, as such term is defined by the group plan, policy, or contract for
 935 health care services."

936 **SECTION 54.**

937 Said title is further amended in Code Section 33-24-56.2, relating to surveillance tests for
 938 ovarian cancer, by revising subsections (a) and (b) as follows:

939 "(a) As used in this Code section, the term:

940 (1) 'At risk for ovarian cancer' means:

941 (A) Having a family history:

942 (i) With one or more first or second-degree relatives with ovarian cancer;

943 (ii) Of clusters of women relatives with breast cancer;

944 (iii) Of nonpolyposis colorectal cancer; or

945 (B) Testing positive for BRCA1 or BRCA2 mutations.

946 (2) 'Health benefit policy' means any individual or group plan, policy, or contract for
 947 health care services issued, delivered, issued for delivery, executed, or renewed in this
 948 state, including, but not limited to, those contracts executed by the ~~State of Georgia~~ state
 949 on behalf of state employees under Article 1 of Chapter 18 of Title 45, by an insurer.

950 (3) 'Insurer' means an accident and sickness insurer, fraternal benefit society, ~~hospital~~
 951 ~~service corporation, medical service corporation,~~ health care corporation, health
 952 maintenance organization, preferred provider organization, provider sponsored health
 953 care corporation, managed care entity, or any similar entity authorized to issue contracts
 954 under this title or to provide health benefit policies.

955 (4) 'Surveillance tests' means annual screening using:

956 (A) CA-125 serum tumor marker testing;

957 (B) Transvaginal ultrasound; and

958 (C) Pelvic examination.

959 (b) Every health benefit policy that is delivered, issued, issued for delivery, executed, or
 960 renewed in this state or approved for issuance or renewal in this state by the Commissioner
 961 ~~on or after July 1, 2001~~, shall provide coverage for surveillance tests for women age 35 and
 962 over at risk for ovarian cancer."

963

SECTION 55.

964 Said title is further amended in Code Section 33-24-56.3, relating to colorectal cancer
 965 screening and testing, by revising subsections (a) and (b) as follows:

966 "(a) As used in this Code section, the term:

967 (1) 'Health benefit policy' means any individual or group plan, policy, or contract for
 968 health care services issued, delivered, issued for delivery, executed, or renewed by an
 969 insurer in this state ~~on or after July 1, 2002~~, including, but not limited to, those contracts
 970 executed by the Department of Community Health pursuant to paragraph (1) of
 971 subsection (d) of Code Section 31-2-4. The term 'health benefit policy' does not include
 972 the following limited benefit insurance policies: accident only, CHAMPUS supplement,
 973 dental, disability income, fixed indemnity, long-term care, medicare supplement,
 974 specified disease, vision, and nonrenewable individual policies written for a period of less
 975 than six months.

976 (2) 'Insurer' means any person, corporation, or other entity authorized to provide health
 977 benefit policies under this title.

978 (b) Every health benefit policy shall provide coverage for colorectal cancer screening,
 979 examinations, and laboratory tests in accordance with ~~the most recently published~~
 980 guidelines and recommendations established by the American Cancer Society, in
 981 consultation with the American College of Gastroenterology and the American College of
 982 Radiology, for the ages, family histories, and frequencies referenced in such guidelines and
 983 recommendations and deemed appropriate by the attending physician after conferring with
 984 the patient."

985

SECTION 56.

986 Said title is further amended in Code Section 33-24-56.4, relating to payment for
 987 telemedicine services, by revising subsections (b) and (d) as follows:

988 "(b) As used in this Code section, the term:

989 (1) 'Health benefit policy' means any individual or group plan, policy, or contract for
 990 health care services issued, delivered, issued for delivery, executed, or renewed in this
 991 state, including, but not limited to, those contracts executed by the ~~State of Georgia~~ state
 992 on behalf of state employees under Article 1 of Chapter 18 of Title 45, by an insurer.

993 (2) 'Insurer' means an accident and sickness insurer, fraternal benefit society, ~~hospital~~
 994 ~~service corporation, medical service corporation,~~ health care corporation, health
 995 maintenance organization, preferred provider organization, provider sponsored health
 996 care corporation, managed care entity, or any similar entity authorized to issue contracts
 997 under this title or to provide health benefit policies.

998 (3) 'Telemedicine' means the practice, by a duly licensed physician or other health care
 999 provider acting within the scope of such provider's practice, of health care delivery,
 1000 diagnosis, consultation, treatment, or transfer of medical data by means of audio, video,
 1001 or data communications which are used during a medical visit with a patient or which are
 1002 used to transfer medical data obtained during a medical visit with a patient. Standard
 1003 telephone, facsimile transmissions, unsecured e-mail, or a combination thereof do not
 1004 constitute telemedicine services."

1005 "~~(d) On and after July 1, 2005, every~~ Every health benefit policy that is issued, amended,
 1006 or renewed shall include payment for services that are covered under such health benefit
 1007 policy and are appropriately provided through telemedicine in accordance with Code
 1008 Section 43-34-31 and generally accepted health care practices and standards prevailing in
 1009 the applicable professional community at the time the services were provided. The
 1010 coverage required in this Code section may be subject to all terms and conditions of the
 1011 applicable health benefit plan."

1012 **SECTION 57.**

1013 Said title is further amended in Code Section 33-24-56.5, relating to health benefit policy to
 1014 provide coverage for orally administered chemotherapy for the treatment of cancer and
 1015 definitions, by revising paragraph (2) of subsection (a) and paragraphs (1) and (5) of
 1016 subsection (c) as follows:

1017 "(2) 'Health benefit policy' means any individual or group plan, policy, or contract for
 1018 health care services issued, delivered, issued for delivery, executed, or renewed by an
 1019 insurer in this state ~~on or after January 1, 2015~~. The term 'health benefit policy' does not
 1020 include the following limited benefit insurance policies: accident only, CHAMPUS
 1021 supplement, dental, disability income, fixed indemnity, long-term care, Medicaid,
 1022 medicare supplement, specified disease, vision, self-insured plans, and nonrenewable
 1023 individual policies written for a period of less than six months."

1024 "~~(1) Vary the terms of any health benefit policy in effect on December 30, 2014, to avoid~~
 1025 compliance with this Code section;"

1026 "(5) Change the classification of any intravenously administered or injected
 1027 chemotherapy treatment or increase the amount of cost sharing applicable to any
 1028 intravenously administered or injected chemotherapy ~~in effect on January 1, 2015~~, in
 1029 order to achieve compliance with this Code section."

SECTION 58.

1030

1031 Said title is further amended in Code Section 33-24-57, relating to health insurance,
 1032 provision that coverage cannot be terminated due to individual claims experience required,
 1033 by revising subsections (b), (c), and (d) as follows:

1034 "(b) Notwithstanding any provisions of this title which might be construed to the contrary,
 1035 ~~on and after April 1, 1996,~~ all individual basic hospital or medical expense, major medical,
 1036 or comprehensive medical expense insurance policies issued, delivered, issued for delivery,
 1037 or renewed in this state shall provide that once an individual has been accepted for
 1038 coverage, his or her coverage cannot be terminated by the insurer due solely to his or her
 1039 individual claims experience.

1040 (c) The Commissioner shall promulgate appropriate procedures and guidelines by rules
 1041 and regulations to implement the provisions of this Code section ~~on or before November 1,~~
 1042 ~~1995,~~ after notification and review of such regulation by the appropriate standing
 1043 committees of the House of Representatives and Senate in accordance with the
 1044 requirements of applicable law. Nothing in this Code section shall be construed to prohibit
 1045 the Commissioner and any insurers with a desire to do so from mutually agreeing on
 1046 procedures, rules, regulations, and guidelines and from implementing the provisions of this
 1047 Code section on a voluntary basis before April 1, 1996.

1048 ~~(d) Beginning April 1, 1999, the Commissioner shall conduct a review of the costs~~
 1049 ~~associated with the coverage required by this Code section and shall provide the members~~
 1050 ~~of the General Assembly with such information no later than December 31, 1999."~~

SECTION 59.

1051

1052 Said title is further amended in Code Section 33-24-57.1, relating to health insurance
 1053 identification card, issue required, contents, updating, and social security numbers not to be
 1054 displayed, by revising subsections (a) and (f) as follows:

1055 "(a) As used in this Code section, the term:

1056 (1) 'Health policy' means any health care plan, dental plan, subscriber contract, or other
 1057 policy plan or contract by whatever name called, including without limitation any health
 1058 benefit plan established pursuant to Article 1 of Chapter 18 of Title 45; other than a
 1059 disability income policy, a long-term care insurance policy, a medicare supplement
 1060 policy, a health insurance policy written as a part of workers' compensation equivalent
 1061 coverage, a specified disease policy, a credit insurance policy, a hospital indemnity
 1062 policy, a limited accident policy, or other type of limited accident and sickness policy.

1063 (2) 'Insurer' means a health care corporation, health maintenance organization, preferred
 1064 provider organization, accident and sickness insurer, fraternal benefit society, ~~hospital~~
 1065 ~~service corporation, medical service corporation,~~ health care corporation, health

1066 maintenance corporation, provider sponsored health care corporation, any similar entity
 1067 authorized to issue contracts under this title, or the plan administrator of any health
 1068 benefit plan established pursuant to Article 1 of Chapter 18 of Title 45."

1069 "(f) Insurance identification cards issued by any insurer under this Code section ~~on and~~
 1070 ~~after July 1, 2004~~, shall not use or display the insured's social security number for any
 1071 purpose or in any manner on such card."

1072 SECTION 60.

1073 Said title is further amended in Code Section 33-24-58.2, relating to Newborn Baby and
 1074 Mother Protection Act – minimum health benefit policy coverage, prohibited actions by
 1075 insurance providers, and required notice to mother, by revising subsections (a), (b), and (f)
 1076 as follows:

1077 "(a) As used in this Code section, the term:

1078 (1) 'Attending provider' means:

1079 (A) Pediatricians and other physicians attending the newborn; and

1080 (B) Obstetricians, other physicians, and certified nurse midwives attending the mother.

1081 (2) 'Health benefit policy' means any individual or group plan, policy, or contract for
 1082 health care services issued, delivered, issued for delivery, or renewed in this state,
 1083 including those contracts executed by the ~~State of Georgia~~ state on behalf of indigents
 1084 and on behalf of state employees under Article 1 of Chapter 18 of Title 45, by a health
 1085 care corporation, health maintenance organization, preferred provider organization,
 1086 accident and sickness insurer, fraternal benefit society, ~~hospital service corporation,~~
 1087 ~~medical service corporation~~, or other insurer or similar entity.

1088 (3) 'Insurer' means an accident and sickness insurer, fraternal benefit society, ~~hospital~~
 1089 ~~service corporation,~~ ~~medical service corporation,~~ health care corporation, health
 1090 maintenance organization, or any similar entity authorized to issue contracts under this
 1091 title and also means any state program funded under Title XIX of the federal Social
 1092 Security Act, 42 U.S.C.A. Section 1396, et seq., and any other publicly funded state
 1093 health care program.

1094 (b) Every health benefit policy that provides maternity benefits that is delivered, issued,
 1095 executed, or renewed in this state or approved for issuance or renewal in this state by the
 1096 Commissioner ~~on or after July 1, 1996~~, shall provide coverage for a minimum of 48 hours
 1097 of inpatient care following a normal vaginal delivery and a minimum of 96 hours of
 1098 inpatient care following a cesarean section for a mother and her newly born child in a
 1099 licensed health care facility."

1100 "(f) Every insurer shall provide notice to policyholders regarding the coverage required by
 1101 this Code section. The notice shall be in writing and prominently positioned in any of the
 1102 following literature:

- 1103 (1) The next mailing to the policyholder;
- 1104 (2) The yearly informational packets sent to the policyholder; or
- 1105 (3) Other literature ~~mailed before January 1, 1997.~~"

1106 **SECTION 61.**

1107 Said title is further amended in Code Section 33-24-59, relating to women's access to health
 1108 care, health insurance, provision disclosing insured's right to direct access to obstetricians
 1109 and gynecologists required, by revising subsections (c) and (d) as follows:

1110 "(c) No health benefit policy which is issued, delivered, issued for delivery, or renewed in
 1111 this state ~~on or after July 1, 1996,~~ shall require as a condition to the coverage of services
 1112 of an obstetrician or gynecologist who is within the health benefit policy network of health
 1113 care providers that an enrollee, subscriber, or insured first obtain a referral from another
 1114 physician; provided, however, that the services covered by this subsection shall be limited
 1115 to those services defined by the published recommendations of the Accreditation Council
 1116 ~~For~~ for Graduate Medical Education for training as an obstetrician or gynecologist,
 1117 including, but not limited to, diagnosis, treatment, and referral.

1118 (d) Each health benefit policy which is issued, delivered, issued for delivery, or renewed
 1119 in this state ~~on or after July 1, 1996,~~ shall disclose to enrollees, subscribers, or insureds, in
 1120 clear, accurate language, such person's right to direct access to obstetricians and
 1121 gynecologists as provided in this Code section. Such information shall be disclosed to each
 1122 such person at the time of enrollment or otherwise first becoming an enrollee, subscriber,
 1123 or insured, and at least annually thereafter."

1124 **SECTION 62.**

1125 Said title is further amended in Code Section 33-24-59.1, relating to coverage for treatment
 1126 of dependent children of cancer, by revising subsections (b) and (d) as follows:

1127 "(b) ~~On and after July 1, 1998, any~~ Any state health plan or any accident and sickness
 1128 insurance benefit plan, policy, or contract, by whatever name called, that provides major
 1129 medical coverage for dependent children and which is issued, delivered, issued for
 1130 delivery, or renewed in this state ~~on or after July 1, 1998,~~ shall provide coverage for routine
 1131 patient care costs incurred in connection with the provision of goods, services, and benefits
 1132 to such dependent children in connection with approved clinical trial programs for the
 1133 treatment of children's cancer with respect to those dependent children who:

- 1134 (1) Are covered dependents under a state health plan or under the major medical
 1135 coverage of an accident and sickness insurance plan, policy, or contract;
 1136 (2) Have been diagnosed with cancer prior to their nineteenth birthday;
 1137 (3) Are enrolled in an approved clinical trial program for treatment of children's cancer;
 1138 and
 1139 (4) Are not otherwise eligible for benefits, payments, or reimbursements from any other
 1140 third party payors or other similar sources."
- 1141 "(d) Except as provided in subsections (b) and (c) of this Code section, nothing in this
 1142 Code section shall be construed to:
- 1143 (1) Prohibit a state health plan or an insurer, ~~nonprofit corporation~~, health care plan,
 1144 health maintenance organization, fraternal benefit society, or other person from issuing
 1145 or continuing to issue an accident and sickness insurance benefit plan, policy, or contract
 1146 which has benefits that are greater than the minimum benefits required by this Code
 1147 section or from issuing or continuing to issue any accident and sickness insurance plan,
 1148 policy, or contract which provides benefits which are generally more favorable to the
 1149 insured than those required by this Code section; or
- 1150 (2) Change the contractual relations between any insurer, nonprofit corporation, health
 1151 care plan, health maintenance organization, fraternal benefit society, or other similar
 1152 person and their insureds or covered dependents by whatever name called."

1153 SECTION 63.

1154 Said title is further amended in Code Section 33-24-59.2, relating to coverage for equipment
 1155 and self-management training for individuals with diabetes and enforcement, by revising
 1156 subsections (a) and (b) as follows:

1157 "(a) ~~On or after July 1, 2002, every~~ Every individual major medical and group health
 1158 insurance policy, group health insurance plan or policy, and any other form of managed or
 1159 capitated care plans or policies shall provide coverage for medically necessary equipment,
 1160 supplies, pharmacologic agents, and outpatient self-management training and education,
 1161 including medical nutrition therapy, for individuals with insulin-dependent diabetes,
 1162 insulin-using diabetes, gestational diabetes, and noninsulin-using diabetes who adhere to
 1163 the prognosis and treatment regimen prescribed by a physician licensed to practice
 1164 medicine pursuant to Title 43.

1165 (b)(1) Diabetes outpatient self-management training and education as provided for in
 1166 subsection (a) of this Code section shall be provided by a certified, registered, or licensed
 1167 health care professional with expertise in diabetes.

1168 (2) ~~The office of the Commissioner of Insurance~~ shall promulgate rules and regulations
 1169 after consultation with the Department of Public Health which conform to the ~~current~~

1170 standards for diabetes outpatient self-management training and educational services
 1171 established by the American Diabetes Association for purposes of this Code section.
 1172 (3) ~~The office of the Commissioner of Insurance shall promulgate rules and regulations,~~
 1173 ~~relating to standards of diabetes care, to become effective July 1, 2002, after consultation~~
 1174 ~~with the Department of Human Resources (now known as the Department of Public~~
 1175 ~~Health for these purposes) of Public Health, the American Diabetes Association, and the~~
 1176 ~~National Institutes of Health. Such rules and regulations shall be adopted in accordance~~
 1177 ~~with the provisions of Code Section 33-2-9."~~

1178 SECTION 64.

1179 Said title is further amended by adding a new Code section to read as follows:

1180 "33-24-59.25.

1181 (a) As used in this Code section, the term:

1182 (1) 'Preventive services' means screening tests, counseling, and preventive medicines,
 1183 or treatments provided or conducted to prevent medical illness or condition prior to
 1184 symptoms or physical manifestations of such medical illness or condition.

1185 (2) 'Short-term health benefit policy or certificate' means any individual or group plan,
 1186 policy, or contract for health care services for a coverage period of less than one year
 1187 issued, delivered, issued for delivery, or renewed in this state which provides major
 1188 medical benefits by a health care corporation, health maintenance organization, preferred
 1189 provider organization, accident and sickness insurer, fraternal benefit society, or any
 1190 similar entity and any self-insured plan not subject to the exclusive jurisdiction of the
 1191 Employee Retirement Income Security Act of 1974, 29 U.S.C. Section 1101, et seq.

1192 (b) No short-term health benefit policy or certificate shall contain a provision defining
 1193 'preexisting condition' which is more restrictive than the following:

1194 (1) Preexisting condition means the existence of symptoms which would cause an
 1195 ordinary prudent person to seek diagnosis, care, or treatment; or

1196 (2) A condition for which medical advice or treatment was recommended by or received
 1197 from a provider of health care services, within six months preceding the effective date of
 1198 coverage of an insured person. The condition at issue must be the ultimate condition for
 1199 which medical advice or treatment was recommended by or received from a provider of
 1200 health care services and excludes any preventive services."

1201 SECTION 65.

1202 Said title is further amended in Code Section 33-24-59.3, relating to payments sent directly
 1203 to health care provider by insurer, by revising subsection (a) as follows:

1204 "(a) As used in this Code section, the term 'health care insurer' means any insurer which
 1205 issues, delivers, issues for delivery, or renews an individual or group plan, policy, or
 1206 contract for health care services issued, delivered, issued for delivery, or renewed in this
 1207 state by a health care corporation, health maintenance organization, preferred provider
 1208 organization, accident and sickness insurer, fraternal benefit society, ~~hospital service~~
 1209 ~~corporation, medical service corporation~~, or other insurer or similar entity. It shall not,
 1210 however, include a policy of insurance designed, advertised, and marketed to supplement
 1211 basic health care coverage for hospital, medical-surgical, or major medical expenses so
 1212 long as said supplemental insurance contract provides for payment directly to the insured."

1213 **SECTION 66.**

1214 Said title is further amended in Code Section 33-24-59.4, relating to confidentiality of
 1215 medical information obtained from pharmacies, restrictions on release of information, and
 1216 penalty for violation, by revising subsection (a) as follows:

1217 "(a) As used in this Code section, the term 'insurer' means an accident and sickness insurer,
 1218 fraternal benefit society, health care corporation, health maintenance organization, provider
 1219 sponsored health care corporation, or the plan administrator of any health benefit plan
 1220 established pursuant to Article 1 of Chapter 18 of Title 45; and ~~such term~~ includes any
 1221 entity which ~~administrates~~ administers or processes claims on behalf of any of the
 1222 foregoing."

1223 **SECTION 67.**

1224 Said title is further amended in Code Section 33-24-59.5, relating to definitions, timely
 1225 payment of health benefits, notification of failure to pay, penalties, and applicability, by
 1226 revising paragraph (2) of subsection (b) as follows:

1227 "(2) Receipt of any proof, claim, or documentation by an entity which ~~administrates~~
 1228 administers or processes claims on behalf of an insurer shall be deemed receipt of the
 1229 same by the insurer for purposes of this Code section."

1230 **SECTION 68.**

1231 Said title is further amended in Code Section 33-24-59.6, relating to prescribed female
 1232 contraceptive drugs or devices and insurance coverage, by revising subsections (b) and (c)
 1233 as follows:

1234 "(b) As used in this Code section, the term:

1235 (1) 'Health benefit policy' means any individual or group plan, policy, or contract for
 1236 health care services issued, delivered, issued for delivery, or renewed in this state,
 1237 including those contracts executed by the ~~State of Georgia~~ state on behalf of state

1238 employees under Article 1 of Chapter 18 of Title 45, by a health care corporation, health
 1239 maintenance organization, preferred provider organization, accident and sickness insurer,
 1240 fraternal benefit society, ~~hospital service corporation, medical service corporation,~~
 1241 provider sponsored health care corporation, or other insurer or similar entity.

1242 (2) 'Insurer' means an accident and sickness insurer, fraternal benefit society, ~~hospital~~
 1243 ~~service corporation, medical service corporation,~~ health care corporation, health
 1244 maintenance organization, or any similar entity authorized to issue contracts under this
 1245 title.

1246 (c) Every health benefit policy that is delivered, issued, executed, or renewed in this state
 1247 or approved for issuance or renewal in this state by the Commissioner ~~on or after July 1,~~
 1248 ~~1999,~~ which provides coverage for prescription drugs on an outpatient basis shall provide
 1249 coverage for any prescribed drug or device approved by the United States Food and Drug
 1250 Administration for use as a contraceptive. This Code section shall not apply to limited
 1251 benefit policies described in paragraph (4) of subsection (e) of Code Section 33-30-12.
 1252 Likewise, nothing contained in this Code section shall be construed to require any
 1253 insurance company to provide coverage for abortion."

1254 **SECTION 69.**

1255 Said title is further amended in Code Section 33-24-59.7, relating to coverage for the
 1256 treatment of morbidly obese patients, short title, legislative findings, and adoptions of rules
 1257 and regulations by the Commissioner, by revising subsection (c) as follows:

1258 "(c)(1) As used in this Code section, the term:

1259 (A) 'Health benefit policy' means any individual or group plan, policy, or contract for
 1260 health care services issued, delivered, issued for delivery, or renewed in this state which
 1261 provides major medical benefits, including those contracts executed by the ~~State of~~
 1262 ~~Georgia~~ state on behalf of indigents and on behalf of state employees under Article 1
 1263 of Chapter 18 of Title 45, by a health care corporation, health maintenance
 1264 organization, preferred provider organization, accident and sickness insurer, fraternal
 1265 benefit society, ~~hospital service corporation, medical service corporation,~~ or other
 1266 insurer or similar entity.

1267 (B) 'Health care providers' means those physicians and medical institutions that are
 1268 specifically qualified to treat in a comprehensive manner the entire complex of illness
 1269 and disease associated with morbid obesity.

1270 (C) 'Insurer' means an accident and sickness insurer, fraternal benefit society, ~~hospital~~
 1271 ~~service corporation, medical service corporation,~~ health care corporation, health
 1272 maintenance organization, or any similar entity authorized to issue contracts under this
 1273 title and also means any state program funded under Title XIX of the federal Social

1274 Security Act, 42 U.S.C.A. Section 1396 et seq., and any other publicly funded state
1275 health care program.

1276 (D) 'Morbid obesity' means a weight which is at least 100 pounds over or twice the
1277 ideal weight for frame, age, height, and gender as specified in the 1983 Metropolitan
1278 Life Insurance tables. Morbid obesity also means a body mass index (BMI) equal to
1279 or greater than 35 kilograms per meter squared with comorbidity or coexisting medical
1280 conditions such as hypertension, cardiopulmonary conditions, sleep apnea, or diabetes
1281 or a BMI of 40 kilograms per meter squared without such comorbidity. BMI equals
1282 weight in kilograms divided by height in meters squared.

1283 (2) Every health benefit policy that is delivered, issued, executed, or renewed in this state
1284 or approved for issuance or renewal in this state by the Commissioner ~~on or after July 1,~~
1285 ~~1999~~, which provides major medical benefits may offer coverage for the treatment of
1286 morbid obesity."

1287 **SECTION 70.**

1288 Said title is further amended by revising Code Section 33-24-59.8, relating to coverage for
1289 prescription inhalers and no restriction on the number of days before obtaining a refill as
1290 prescribed, as follows:

1291 "33-24-59.8.

1292 No individual major medical or group health insurance policy, group health insurance plan
1293 or policy, or any other form of managed or capitated health care plans or policies issued,
1294 delivered, issued for delivery, or renewed ~~on or after July 1, 1999~~, containing coverage for
1295 prescription drugs and pharmaceuticals shall deny or limit coverage for prescription
1296 inhalants required to enable persons to breathe when suffering from asthma or other
1297 life-threatening bronchial ailments based upon any restriction on the number of days before
1298 an inhaler refill may be obtained if, contrary to such restrictions, such inhalants have been
1299 ordered or prescribed by the treating physician."

1300 **SECTION 71.**

1301 Said title is further amended in Code Section 33-24-59.9, relating to registered nurse first
1302 assistants, by revising subsections (c) and (d) as follows:

1303 "(c) As used in this Code section, the term:

1304 (1) 'Health benefit policy' means any individual or group plan, policy, or contract for
1305 health care services issued, delivered, issued for delivery, or renewed in this state,
1306 including, but not limited to, those policies, plans, or contracts executed by the ~~State of~~
1307 ~~Georgia~~ state on behalf of state employees under Article 1 of Chapter 18 of Title 45, by
1308 a health care corporation, health maintenance organization, preferred provider

1309 organization, accident and sickness insurer, fraternal benefit society, ~~hospital service~~
 1310 ~~corporation, medical service corporation,~~ workers' compensation insurance carrier in
 1311 accordance with Chapter 9 of Title 34, or other insurer or similar entity.

1312 (2) 'Insurer' means an accident and sickness insurer, fraternal benefit society, ~~hospital~~
 1313 ~~service corporation,~~ workers' compensation insurance carrier, ~~medical service~~
 1314 ~~corporation,~~ health care corporation, health maintenance organization, managed care plan
 1315 other than a dental plan, or any similar entity authorized to issue contracts under this title,
 1316 but shall exclude any state program funded under Title XIX of the federal Social Security
 1317 Act, 42 U.S.C.A. Section 1396, et seq., and any other publicly funded state health care
 1318 program.

1319 (3) 'Perioperative nursing' means a practice of registered professional nursing in which
 1320 the registered nurse provides preoperative, intraoperative, and postoperative nursing care
 1321 to surgical patients.

1322 (4) 'Recognized educational curriculum program' means a program that:

1323 (A) Addresses all content of the Association of periOperative Registered Nurses, Inc.,
 1324 Core Curriculum for the Registered Nurse First Assistant and the Certification Board
 1325 of Perioperative Nurses; and

1326 (B) Includes indicated didactic and clinical internship as required by the curriculum.

1327 (5) 'Registered nurse first assistant' means a person who:

1328 (A)(i) Is licensed as a registered professional nurse in ~~the State of Georgia~~ this state;

1329 (ii) Is certified in perioperative nursing; and

1330 (iii) Has successfully completed a registered nurse first assistant education program
 1331 that meets the Association of periOperative Registered Nurses, Inc.'s education
 1332 standard for the registered nurse first assistant; or

1333 (B) Was holding the title of and practicing as a registered nurse first assistant as of
 1334 January 1, 1993.

1335 (d) Notwithstanding any provisions in policies or contracts which might be construed to
 1336 the contrary, whenever any health benefit policy which is issued, executed, or renewed in
 1337 this state ~~on or after July 1, 2001,~~ provides that any of its benefits are payable to a surgical
 1338 first assistant for services rendered, the insurer shall be required to directly reimburse any
 1339 registered nurse first assistant who has rendered such services at the request of a physician
 1340 and within the scope of a registered nurse first assistant's professional license. This Code
 1341 section shall not apply to a registered nurse first assistant who is employed by the
 1342 requesting physician or renders such services in the capacity as an employee of the hospital
 1343 where services are rendered."

1344 **SECTION 72.**

1345 Said title is further amended in Code Section 33-24-59.10, relating to coverage for autism,
 1346 by revising subsection (f) as follows:

1347 "(f) Beginning January 1, 2016, to the extent that this Code section requires benefits that
 1348 exceed the essential health benefits required under Section 1302(b) of the federal Patient
 1349 Protection and Affordable Care Act, ~~P.L.~~ P.L. 111-148, the specific benefits that exceed
 1350 the required essential health benefits shall not be required of a 'qualified health plan' as
 1351 defined in such ~~act~~ Act when the qualified health plan is offered in this state through the
 1352 exchange. Nothing in this subsection shall nullify the application of this Code section to
 1353 plans offered outside the state's exchange."

1354 **SECTION 73.**

1355 Said title is further amended in Code Section 33-24-59.11, relating to insurance coverage for
 1356 prescription drugs used in manner different than use authorized by FDA, by revising
 1357 paragraph (2) of subsection (a) as follows:

1358 "(2) 'Health benefit policy' means any individual or group plan, policy, or contract for
 1359 health care services issued, delivered, issued for delivery, executed, or renewed in this
 1360 state ~~on or after July 1, 2003~~, including, but not limited to, those contracts executed by
 1361 the ~~State of Georgia~~ state on behalf of state employees under Article 1 of Chapter 18 of
 1362 Title 45, by an insurer; provided, however, that 'health benefit policy' shall not include
 1363 the limited benefit policies as defined in paragraph (4) of subsection (e) of Code
 1364 Section 33-30-12."

1365 **SECTION 74.**

1366 Said title is further amended in Code Section 33-24-59.14, relating to definitions, prompt pay
 1367 requirements, and penalties, by revising paragraph (6) of subsection (a) as follows:

1368 "(6) 'Insurer' means an accident and sickness insurer, fraternal benefit society, health care
 1369 corporation, health maintenance organization, provider sponsored health care corporation,
 1370 or any similar entity, which ~~entity~~ provides for the financing or delivery of health care
 1371 services through a health benefit plan, the plan administrator of any health plan, or the
 1372 plan administrator of any health benefit plan established pursuant to Article 1 of Chapter
 1373 18 of Title 45."

1374 **SECTION 75.**

1375 Said title is further amended in Code Section 33-24-59.16, relating to equal access to child's
 1376 health insurance information and exceptions, by revising paragraph (2) of subsection (a) as
 1377 follows:

1378 "(2) 'Insurer' means an accident and sickness insurer, fraternal benefit society, ~~hospital~~
 1379 ~~service corporation, medical service corporation,~~ health care corporation, health
 1380 maintenance organization, preferred provider organization, provider sponsored health
 1381 care corporation, managed care entity, or any similar entity authorized to issue contracts
 1382 under this title or to provide health benefit policies."

1383 **SECTION 76.**

1384 Said title is further amended in Code Section 33-24-59.17, relating to coverage of certain
 1385 abortions through certain qualified health plans prohibited and definitions, by revising
 1386 subsection (e) as follows:

1387 "(e) It is not the intention of this Code section to make lawful an abortion that is ~~currently~~
 1388 unlawful."

1389 **SECTION 77.**

1390 Said title is further amended in Code Section 33-24-59.23, relating to carrier issuing health
 1391 benefit plans to pay insurance agent's commissions and regulation, by revising paragraph (3)
 1392 of subsection (a) as follows:

1393 "(3) 'Health benefit plan' ~~shall have the same meaning as in Code Section 33-30A-1~~
 1394 means any hospital or medical insurance policy or certificate, health care plan contract
 1395 or certificate, qualified higher deductible health plan, or health maintenance organization
 1396 subscriber contract. Health benefit plan does not include policies issued in accordance
 1397 with Chapter 31 of this title; disability income policies; policies issued in accordance with
 1398 Code Section 34-9-14 or 34-9-122.1; limited accident and sickness insurance policies
 1399 such as credit, dental, vision, medicare supplement, long-term care, hospital indemnity,
 1400 or specified disease insurance; coverage issued as a supplement to liability insurance;
 1401 workers' compensation or similar insurance; or automobile medical payment insurance."

1402 **SECTION 78.**

1403 Said title is further amended in Code Section 33-24-72, relating to mastectomy, lymph node
 1404 dissection, coverage for inpatient care and follow-up visits required by health insurers, and
 1405 notice to policyholders, by revising paragraphs (2) and (3) of subsection (a) and subsections
 1406 (b) and (c) as follows:

1407 "(2) 'Health benefit policy' means any individual or group plan, policy, or contract for
 1408 health care services issued, delivered, issued for delivery, or renewed in this state,
 1409 including, but not limited to, those contracts executed by the ~~State of Georgia~~ state on
 1410 behalf of indigents and on behalf of state employees under Article 1 of Chapter 18 of
 1411 Title 45, by a health care corporation, health maintenance organization, preferred

1412 provider organization, accident and sickness insurer, fraternal benefit society, ~~hospital~~
 1413 ~~service corporation, medical service corporation,~~ or other insurer or similar entity; except
 1414 that such term does not include any policy of limited benefit insurance as defined in
 1415 paragraph (4) of subsection (e) of Code Section 33-30-12.

1416 (3) 'Insurer' means an accident and sickness insurer, fraternal benefit society, ~~hospital~~
 1417 ~~service corporation, medical service corporation,~~ health care corporation, health
 1418 maintenance organization, managed care plan other than a dental plan, or any similar
 1419 entity authorized to issue contracts under this title and also means any state program
 1420 funded under Title XIX of the federal Social Security Act, 42 U.S.C.A. Section 1396 et
 1421 seq., and any other publicly funded state health care program."

1422 "(b) Every health benefit policy that provides surgical benefits for mastectomies that is
 1423 delivered, issued, executed, or renewed in this state or approved for issuance or renewal
 1424 in this state by the Commissioner ~~on or after July 1, 1999,~~ shall provide coverage in a
 1425 licensed health care facility for inpatient care following a mastectomy or lymph node
 1426 dissection until the completion of the appropriate period of stay for such inpatient care as
 1427 determined by the attending physician in consultation with the patient. Coverage shall also
 1428 be provided ~~also~~ for such number of follow-up visits as determined to be appropriate by
 1429 the attending physician after consultation with the patient. Such follow-up visits shall be
 1430 conducted by a physician, a physician assistant, or a registered professional nurse with
 1431 experience and training in postsurgical care. In consultation with the patient, such
 1432 attending physician, physician assistant, or registered professional nurse shall determine
 1433 whether any follow-up visit or visits will be conducted at home or at the office.

1434 (c) Every insurer shall provide notice to policyholders regarding the coverage required by
 1435 this Code section. The notice shall be in writing and prominently positioned in any of the
 1436 following literature:

- 1437 (1) ~~The next~~ A mailing to the policyholder;
- 1438 (2) The yearly informational packets sent to the policyholder; or
- 1439 (3) Other mailed literature ~~mailed before January 1, 2000.~~"

1440 **SECTION 79.**

1441 Said title is further amended in Code Section 33-24-91, relating to use of credit information
 1442 to underwrite or rate risks, by revising paragraph (7) as follows:

1443 "(7) Use credit information unless not later than every 36 months following the last time
 1444 that the insurer obtained ~~current~~ credit information for the insured, the insurer
 1445 recalculates the insurance score or obtains an updated credit report. Regardless of the
 1446 requirements of this paragraph:

- 1447 (A) At annual renewal, upon the request of a consumer, the insurer shall reunderwrite
 1448 and reate the policy based upon a ~~current~~ credit report or insurance score. An insurer
 1449 need not recalculate the insurance score or obtain the updated credit report of a
 1450 consumer more frequently than once in a 12 month period. Prior to a consumer
 1451 exercising his or her option for the insurer to reunderwrite or reate the policy, the
 1452 insurer shall notify the consumer orally or in writing that the reunderwriting or rerating
 1453 of the policy may result in a higher rate, a lower rate, or other possible consequences,
 1454 including nonrenewal or termination of the policy, or could produce no change for the
 1455 consumer;
- 1456 (B) The insurer shall have the discretion to obtain ~~current~~ credit information upon any
 1457 renewal before the 36 months, if consistent with its underwriting guidelines; and
- 1458 (C) No insurer need obtain ~~current~~ credit information for an insured, despite the
 1459 requirements of subparagraph (A) of this paragraph, if one of the following applies:
- 1460 (i) The insurer is treating the consumer as otherwise approved by the Commissioner;
- 1461 (ii) The insured is in the most favorably priced tier of the insurer, within a group of
 1462 affiliated insurers; however, the insurer shall have the discretion to order such report,
 1463 if consistent with its underwriting guidelines;
- 1464 (iii) Credit information was not used for underwriting or rating such insured when the
 1465 policy was initially written; however, the insurer shall have the discretion to use credit
 1466 for underwriting or rating such insured upon renewal, if consistent with its
 1467 underwriting guidelines; or
- 1468 (iv) The insurer reevaluates the insured beginning no later than 36 months after
 1469 inception and thereafter based upon other underwriting or rating factors, excluding
 1470 credit information; or"

1471 **SECTION 80.**

1472 Said title is further amended in Code Section 33-25-8, relating to right of person to whom
 1473 policy or contract issued to return policy or contract and receive premium refund, effect of
 1474 return, and proof of return, by revising subsection (a) as follows:

1475 "(a) Every individual life insurance policy or contract issued for delivery in this state ~~on~~
 1476 ~~or after July 1, 1979~~, except those issued in connection with a credit transaction, shall have
 1477 printed on or attached to the contract a notice stating in substance that the person to whom
 1478 the policy or contract is issued shall be permitted to return the policy or contract within ten
 1479 days after receipt thereof and to have the premium paid refunded if, after examination of
 1480 the policy or contract, the purchaser is not satisfied with it for any reason."

1481 **SECTION 81.**

1482 Said title is further amended in Code Section 33-27-5, relating to notification of right to
 1483 convert group policy to individual life insurance policy, by revising subsection (a) as follows:

1484 "(a) If any individual insured under a group insurance policy ~~hereafter~~ delivered in this
 1485 state becomes entitled under the terms of the policy to have an individual policy of life
 1486 insurance issued to him or her without evidence of insurability, subject to making of
 1487 application therefor and payment of the first premium within the period specified in such
 1488 policy and, if ~~the~~ such individual is not given notice of the existence of the right at least 15
 1489 days prior to the expiration date of the period, in such event the individual shall have an
 1490 additional period within which to exercise the right, but nothing contained in this Code
 1491 section shall be construed to continue any insurance beyond the period provided in the
 1492 policy. This additional period shall expire 15 days after ~~the~~ such individual is given notice,
 1493 but in no event shall the additional period extend beyond 60 days after the expiration date
 1494 of the period provided in the policy."

1495 **SECTION 82.**

1496 Said title is further amended by revising Code Section 33-27-6, relating to assignment of
 1497 incidents of ownership in group life insurance policies, as follows:

1498 "33-27-6.

1499 Nothing in this title or in any other law shall be construed to prohibit any person insured
 1500 under a group life insurance policy from making an assignment of all or any part of his or
 1501 her incidents of ownership under the policy, including, but not limited to, the privilege to
 1502 have issued to him or her an individual policy of life insurance pursuant and subject to
 1503 paragraphs (8) and (9) of subsection (a) of Code Section 33-27-3 and Code Section 33-27-5
 1504 and the right to name a beneficiary. Subject to the terms of the policy or agreement
 1505 between the insured, the group policyholder and the insurer relating to assignment of
 1506 incidents of ownership under the policy, an assignment made by an insured ~~made either~~
 1507 ~~before or after July 1, 1969,~~ is valid for the purpose of vesting in the assignee, in
 1508 accordance with any provisions included in the policy as to the time at which it is to be
 1509 effective, all of the incidents of ownership so assigned without prejudice to the insurer on
 1510 account of any payment it may make or individual policy it may issue in accordance with
 1511 paragraphs (8) and (9) of subsection (a) of Code Section 33-27-3 prior to receipt of notice
 1512 of the assignment."

1513 **SECTION 83.**

1514 Said title is further amended by revising Code Section 33-27-9, relating to notices of
 1515 premium increases to be mailed or delivered to group policyholder, as follows:

1516 "33-27-9.
 1517 Notice of the maximum amount of a group life insurance premium increase shall be mailed
 1518 or delivered to the group policyholder and to each employer group or subgroup insured
 1519 under the group policy not less than 60 days prior to the effective date of the premium
 1520 increase."

1521 **SECTION 84.**

1522 Said title is further amended in Code Section 33-28-3, relating to standard nonforfeiture
 1523 provisions for individual deferred annuities, by revising subsections (c), (f), and (g) as
 1524 follows:

1525 "~~(c) In the case of contracts issued on or after July 1, 2000, no~~ No contract of annuity,
 1526 except as stated in subsection (b) of this Code section, shall be delivered or issued for
 1527 delivery in this state unless it contains in substance the following provisions or
 1528 corresponding provisions which in the opinion of the Commissioner are at least as
 1529 favorable to the contract holder upon cessation of payment of considerations under the
 1530 contract:

1531 (1) That upon cessation of payment of considerations under a contract, the company ~~will~~
 1532 shall grant a paid-up annuity benefit on a plan stipulated in ~~the~~ such contract of such
 1533 value as is specified in subsections (e) through (h) and (j) of this Code section;

1534 (2) If a contract provides for a lump sum settlement at maturity or at any other time, that
 1535 upon surrender of ~~the~~ such contract at or prior to the commencement of any annuity
 1536 payments, the company ~~will~~ shall pay in lieu of any paid-up annuity benefit a cash
 1537 surrender benefit of such amount as is specified in subsections (e) through (h) and (j) of
 1538 this Code section and that interest shall be payable on such amount in the same manner,
 1539 at the same rate, and subject to the same conditions as provided by Code Section
 1540 33-25-10 for payment of interest on proceeds or payments under an individual policy of
 1541 life insurance. Subject to the provisions of this paragraph, the company shall reserve the
 1542 right to defer the payment of the cash surrender benefit for a period of six months after
 1543 demand for the benefit with surrender of the contract. The provisions of this paragraph
 1544 requiring the payment of interest shall not apply to variable contracts which provide for
 1545 annuity benefits which may vary according to the investment experience of any separate
 1546 account or accounts maintained by the company as to such contract;

1547 (3) A statement of the mortality table, if any, and interest rates used in calculating any
 1548 minimum paid-up annuity, cash surrender, or death benefits that are guaranteed under the
 1549 contract together with sufficient information to determine the amounts of the benefits;

1550 (4) A statement that any paid-up annuity, cash surrender, or death benefits that may be
 1551 available under the contract are not less than the minimum benefits required by any

1552 statute of the state in which ~~the~~ such contract is delivered and an explanation of the
1553 manner in which the benefits are altered by the existence of any additional amounts
1554 credited by the company to ~~the~~ such contract, any indebtedness to the company on ~~the~~
1555 such contract, or any prior withdrawals from or partial surrenders of ~~the~~ such contract;
1556 and

1557 (5) Notwithstanding the requirements of this subsection, any deferred annuity contract
1558 may provide that if no considerations have been received under a contract for a period of
1559 two full years and the portion of the paid-up annuity benefit at maturity on the plan
1560 stipulated in ~~the~~ such contract arising from considerations paid prior to such period would
1561 be less than \$20.00 monthly, the company may at its option terminate ~~the~~ such contract
1562 by payment in cash of the then present value of the portion of the paid-up annuity benefit,
1563 calculated on the basis of the mortality table, if any, and interest rate specified in the
1564 contract for determining the paid-up annuity benefit, and by the payment shall be relieved
1565 of any further obligation under ~~the~~ such contract."

1566 "(f) For contracts which provide cash surrender benefits, such cash surrender benefits
1567 available prior to maturity shall not be less than the present value as of the date of surrender
1568 of that portion of the maturity value of the paid-up annuity benefit which would be
1569 provided under the contract at maturity arising from considerations paid prior to the time
1570 of cash surrender reduced by the amount appropriate to reflect any prior withdrawals from
1571 or partial surrenders of ~~the~~ such contract, such present value being calculated on the basis
1572 of an interest rate not more than 1 percent higher than the interest rate specified in ~~the~~ such
1573 contract for accumulating the net considerations to determine such maturity value,
1574 decreased by the amount of any indebtedness to the company on ~~the~~ such contract,
1575 including interest due and accrued, and increased by any existing additional amounts
1576 credited by the company to ~~the~~ such contract. In no event shall any cash surrender benefit
1577 be less than the minimum nonforfeiture amount at that time. The death benefit under such
1578 contracts shall be at least equal to the cash surrender benefit.

1579 (g) For contracts which do not provide cash surrender benefits, the present value of any
1580 paid-up annuity benefit available as a nonforfeiture option at any time prior to maturity
1581 shall not be less than the present value of that portion of the maturity value of the paid-up
1582 annuity benefit provided under the contract arising from considerations paid prior to the
1583 time the contract is surrendered in exchange for, or changed to, a deferred paid-up annuity,
1584 such present value being calculated for the period prior to the maturity date on the basis of
1585 the interest rate specified in ~~the~~ such contract for accumulating the net considerations to
1586 determine the maturity value and increased by any existing additional amounts credited by
1587 the company to ~~the~~ such contract. For contracts which do not provide any death benefits
1588 prior to the commencement of any annuity payments, the present values shall be calculated

1589 on the basis of the interest rate and the mortality table specified in the contract for
 1590 determining the maturity value of the paid-up annuity benefit. However, in no event shall
 1591 the present value of a paid-up annuity benefit be less than the minimum nonforfeiture
 1592 amount at that time."

1593 **SECTION 85.**

1594 Said title is further amended in Code Section 33-29-1, relating to "accident and sickness"
 1595 policy defined and applicability of chapter, by revising subsection (b) as follows:

1596 "(b) Nothing in this chapter shall apply to or affect:

1597 (1) Any policy of workers' compensation insurance or any policy of workers' insurance
 1598 or any policy of liability insurance with or without supplementary expense coverage on
 1599 the policy;

1600 (2) Any policy or contract of reinsurance;

1601 (3) Any policy, the renewal of which is subject to continuation of employment with a
 1602 specified employer, or any blanket or group policy of insurance, or any policy issued
 1603 pursuant to the exercise of conversion privileges provided for in group insurance policies;

1604 or

1605 (4) Life insurance, endowment or annuity contracts, or contracts supplemental thereto
 1606 which contain only such provisions relating to accident and sickness insurance which
 1607 provide additional benefits in case of death or dismemberment or loss of sight by
 1608 accident, or which operate to safeguard such contracts against lapse or give a special
 1609 surrender value or special benefit or an annuity in the event that the insured or annuitant
 1610 becomes totally and permanently disabled as defined by the contract or supplemental
 1611 contract;

1612 ~~(5) Companies, organizations, or associations provided for in Chapters 18 and 19 of this~~
 1613 ~~title; or~~

1614 ~~(6) Any policy of accident, sickness, or hospitalization insurance issued prior to January~~
 1615 ~~1, 1961."~~

1616 **SECTION 86.**

1617 Said title is further amended in Code Section 33-29-2, relating to requirements as to policies
 1618 generally, by revising paragraph (8) of subsection (a) and subsection (c) as follows:

1619 "(8) It contains no provision purporting to exclude or reduce coverage provided an
 1620 otherwise insurable person solely for the reason that the person is eligible for or receiving
 1621 medical assistance, as defined in Code Section 49-4-141. Any such provision appearing
 1622 in an individual accident and sickness insurance policy, ~~subsequent to July 1, 1978,~~ shall
 1623 be null and void; and"

1624 "(c) ~~This Code section shall not be construed so as to impair the obligation of any contract~~
 1625 ~~in existence prior to January 1, 1979. Reserved.~~"

1626 **SECTION 87.**

1627 Said title is further amended in Code Section 33-29-3.1, relating to coverage for human heart
 1628 transplants, options endorsement, requirements, and guidelines, by revising subsection (a)
 1629 as follows:

1630 "(a) Every insurer authorized to issue individual accident and sickness insurance plans,
 1631 policies, or contracts shall be required to make available, either as a part of or as an
 1632 optional endorsement to all such policies providing major medical insurance coverage
 1633 which are issued, delivered, issued for delivery, or renewed ~~on or after July 1, 1988,~~
 1634 coverage for human heart transplants, including any charges for acquisition, transportation,
 1635 or donation of a human heart when a human heart transplant is performed. Such coverage
 1636 shall be at least as extensive and provide at least the same degree of coverage as that
 1637 provided by the respective plan, policy, or contract for the treatment of other types of
 1638 physical illnesses. Such an optional endorsement shall also provide that the coverage
 1639 required to be made available pursuant to this Code section shall also cover the spouse and
 1640 the dependents of the insured if the insured's spouse and dependents are covered under such
 1641 benefit plan, policy, or contract."

1642 **SECTION 88.**

1643 Said title is further amended in Code Section 33-29-3.2, relating to coverage for
 1644 mammograms, Pap smears, and prostate specific antigen tests, by revising paragraphs (2) and
 1645 (5) of subsection (a) and subsection (b) as follows:

1646 "(2)(A) 'Mammogram' means any low-dose radiologic screening procedure for the
 1647 early detection of breast cancer provided to a woman and which utilizes equipment
 1648 approved by the Department of Community Health dedicated specifically for
 1649 mammography and includes a physician's interpretation of the results of the procedure
 1650 or interpretation by a radiologist experienced in mammograms in accordance with
 1651 guidelines established by the American College of Radiology.

1652 (B) Reimbursement for a mammogram authorized under this Code section shall be
 1653 made only if the facility in which the mammogram was performed meets accreditation
 1654 standards established by the American College of Radiology or equivalent standards
 1655 established by this state.

1656 (C) Policies subject to this Code section shall contain coverage for mammograms made
 1657 with at least the following frequency:

1694 spouse and the dependents of the insured if the insured's spouse and dependents are
 1695 covered under such benefit plan, policy, or contract."

1696 **SECTION 90.**

1697 Said title is further amended in Code Section 33-29-3.4, relating to insurance coverage for
 1698 child wellness services, by revising subsections (b) and (g) as follows:

1699 "(b) Every insurer authorized to issue an individual accident and sickness policy in this
 1700 state shall include, either as a part of or as a required endorsement to each basic medical
 1701 or hospital expense, major medical, or comprehensive medical expense policy issued,
 1702 delivered, issued for delivery, or renewed in this state ~~on or after July 1, 1995~~, basic
 1703 coverage for child wellness services for an insured child from birth through the age of five
 1704 years. Any such policy may provide that the child wellness services which are rendered
 1705 during a periodic review shall only be covered to the extent that such services are provided
 1706 by or under the supervision of a single physician during the course of one visit. The
 1707 Commissioner shall define by regulation the basic coverage for child wellness services and
 1708 may consider the current recommendations for preventive pediatric health care by the
 1709 American Academy for Pediatrics and any other relevant data or information in the
 1710 promulgation of such regulation."

1711 ~~"(g) Beginning July 1, 2000, the Commissioner shall conduct a review of the cost~~
 1712 ~~associated with the coverage required by this Code section and shall provide the members~~
 1713 ~~of the General Assembly with such information not later than December 31, 2000.~~
 1714 Reserved."

1715 **SECTION 91.**

1716 Said title is further amended in Code Section 33-29-4, relating to optional policy provisions,
 1717 by revising paragraphs (1) and (3) of subsection (b) and subparagraph (b)(4)(A) as follows:

1718 "(b)(1) **Change of occupation.** If the insured is injured or contracts sickness after
 1719 having changed his or her occupation to one classified by the insurer as more hazardous
 1720 than that stated in this policy or while doing for compensation anything pertaining to an
 1721 occupation so classified, the insurer ~~will~~ shall pay only such portion of the indemnities
 1722 provided in this policy as the premium paid would have purchased at the rates and within
 1723 the limits fixed by the insurer for such more hazardous occupation. If the insured
 1724 changes his or her occupation to one classified by the insurer as less hazardous than that
 1725 stated in this policy, the insurer, upon receipt of proof of such change of occupation, ~~will~~
 1726 shall reduce the premium rate accordingly and ~~will~~ shall return the excess pro rata
 1727 unearned premium from the date of change of occupation or from the policy anniversary
 1728 date immediately preceding receipt of such proof, whichever is the more recent. In

1729 applying this provision, the classification of occupational risk and the premium rates shall
 1730 be such as have been last filed by the insurer, prior to the occurrence of the loss for which
 1731 the ~~insured insurer~~ is liable or prior to date of proof of change in occupation, with the
 1732 state official having supervision of insurance in the state where the insured resided at the
 1733 time this policy was issued, ~~but, if~~ If, however, such filing was not required, then the
 1734 classification of occupational risk and the premium rates shall be those last made
 1735 effective by the insurer in the state prior to the occurrence of the loss or prior to the date
 1736 of proof of change in occupation."

1737 **"(3) Other insurance with this insurer.**

1738 (A) If an accident or sickness or accident and sickness policy or policies previously
 1739 issued by the insurer to the insured is in force concurrently herewith, making the
 1740 aggregate indemnity for _____ (insert type of coverage or coverages) in excess of
 1741 \$_____ (insert maximum limit of indemnity or indemnities), the excess insurance
 1742 shall be void and all premiums paid for the excess shall be returned to the insured or to
 1743 his or her estate;

1744 or, in lieu thereof:

1745 (B) Insurance effective at any one time on the insured under a like policy or policies
 1746 with this insurer is limited to the one such policy elected by the insured, his or her
 1747 beneficiary, or his or her estate, as the case may be, and the insurer will return all
 1748 premiums paid for all other policies."

1749 "(A) If the total monthly amount of loss of time benefits promised for the same loss
 1750 under all valid loss of time coverage upon the insured, whether payable on a weekly or
 1751 monthly basis, shall exceed the monthly earnings of the insured at the time disability
 1752 commenced or his or her average monthly earnings for the period of two years
 1753 immediately preceding a disability for which claim is made, whichever is the greater,
 1754 the insurer will be liable only for such proportionate amount of such benefits under this
 1755 policy as the amount of the monthly earnings or the average monthly earnings of the
 1756 insured bears to the total amount of monthly benefits for the same loss under all such
 1757 coverage upon the insured at the time such disability commences and for the return of
 1758 that part of the premiums paid during such two years which exceeds the pro rata amount
 1759 of the premiums for the benefits actually paid hereunder; but this shall not operate to
 1760 reduce the total monthly amount of benefits payable under all the coverage upon the
 1761 insured below the sum of \$200.00 or the sum of the monthly benefits specified in the
 1762 coverages, whichever is the lesser, nor shall it operate to reduce benefits other than
 1763 those payable for loss of time."

1764

SECTION 92.

1765 Said title is further amended in Code Section 33-29-6, relating to provision in policies for
 1766 medical or surgical services, by revising subsection (c) as follows:

1767 "(c) Any other laws to the contrary notwithstanding, whenever the term 'physician' or
 1768 'surgeon' is used in any policy of health or accident and sickness insurance issued in this
 1769 state or in any contract for health care, services, or benefits ~~issued by any health, medical,
 1770 or other service corporation~~ existing under, and by virtue of, any laws of this state, said
 1771 term shall include, within its meaning, medical practitioners licensed under and in
 1772 accordance with Chapter 11 of Title 43, relating to dentists, in respect to any care, services,
 1773 procedures, or benefits covered by said policy of insurance or health care contract which
 1774 the said persons are licensed to perform, any provisions in any such policy of insurance or
 1775 health care contract to the contrary notwithstanding. This subsection shall be applicable to
 1776 all policies in this state, regardless of date of issue."

1777

SECTION 93.

1778 Said title is further amended in Code Section 33-29-9, relating to requirements as to
 1779 references in policies to noncancelable nature or guaranteed renewability nature, exception
 1780 for certain matters concerning renewability of individual accident and sickness policies, and
 1781 rules and regulations, by revising subsection (b) as follows:

1782 "(b) An insurer operating in the major medical or comprehensive, guaranteed renewable
 1783 business in ~~the State of Georgia~~ this state shall permit an insured to change his or her
 1784 major medical or comprehensive coverage, upon election at any renewal, to a comparable
 1785 product ~~currently~~ offered by that insurer or a product ~~currently~~ offered by that insurer
 1786 with more limited product benefits; to a product with higher deductibles; or to modify his
 1787 or her existing coverage to elect any optional higher deductibles under that policy. If
 1788 such product, benefit, or deductible change is elected by the insured during the 60 day
 1789 required period after notice of renewal premium increase but before renewal date, such
 1790 insured shall not be subject to any new preexisting conditions exclusion that did not apply
 1791 to his or her original coverage."

1792

SECTION 94.

1793 Said title is further amended by revising Code Section 33-29-11, relating to right of person
 1794 to whom policy or contract issued to return policy or contract and receive premium refund,
 1795 effect of return, and proof of return, as follows:

1796 "33-29-11.

1797 (a) Every individual accident and sickness policy or contract, except single premium
 1798 nonrenewable policies or contracts, issued for delivery in this state ~~on or after January 1,~~

1799 ~~1961~~, by an insurer shall have printed on or attached to the policy or contract a notice
 1800 stating in substance that the person to whom the policy or contract is issued shall be
 1801 permitted to return the policy or contract within ten days of its delivery to said purchaser
 1802 and to have the premium paid refunded if, after examination of the policy or contract, the
 1803 purchaser is not satisfied with it for any reason.

1804 (b) If the insured or purchaser, pursuant to such notice, returns the policy or contract to the
 1805 insurer at its home or branch office, or to the agent through whom it was purchased, it shall
 1806 be void from the beginning and the parties shall be in the same position as if no policy or
 1807 contract had been issued. Without limiting any other method of returning ~~an annuity a~~
 1808 policy or contract under this Code section, it shall be prima-facie evidence of the fact and
 1809 date of return of ~~an annuity a~~ policy or contract if the ~~annuity policy~~ or contract is
 1810 dispatched by certified mail or statutory overnight delivery to the insurer or agent, as
 1811 provided in this Code section, and a return receipt provided by the United States Postal
 1812 Service or commercial delivery company is obtained."

1813 **SECTION 95.**

1814 Said title is further amended in Code Section 33-29-15, relating to exemption of policy
 1815 proceeds from liability for debts of insured and beneficiary, by revising subsection (a) as
 1816 follows:

1817 "(a) The proceeds or avails of all accident and sickness policies and of provisions
 1818 providing benefits on account of the insured's disability which are supplemental to life
 1819 insurance or annuity ~~contract contracts~~, except credit accident and sickness policies and
 1820 credit life policies, shall be exempt from all liability for any debt of the insured and from
 1821 any debt of the beneficiary existing at the time the proceeds are made available for his or
 1822 her use."

1823 **SECTION 96.**

1824 Said title is further amended in Code Section 33-29-20, relating to insurance coverage for
 1825 treatment of temporomandibular joint dysfunction or surgery for deformities of maxilla or
 1826 mandible, by revising paragraph (2) of subsection (a) as follows:

1827 "(2) 'Policy' means any major medical benefit plan, contract, or policy except ~~the Georgia~~
 1828 ~~Basic Health Plan~~, a credit insurance policy, disability income policy, specified disease
 1829 policy, hospital indemnity policy, limited accident policy, or other similarly limited
 1830 accident and sickness policy."

1831 **SECTION 97.**

1832 Said title is further amended by revising Code Section 33-29-21, relating to renewal or
 1833 continuation at option of insured, as follows:

1834 "33-29-21.

1835 Pursuant to the provisions of the federal Health Insurance Portability and Accountability
 1836 Act of 1996, P.L. 104-191, and subject to applicable rules and regulations as issued by the
 1837 Centers for Medicare and Medicaid Services, ~~on and after July 1, 1997,~~ all insurers which
 1838 issue, issue for delivery, deliver, or renew existing individual policies, certificates, or
 1839 contracts of accident and sickness insurance in ~~the State of Georgia~~ this state shall, subject
 1840 only to timely payment of premiums, renew or continue such coverage at the option of the
 1841 insured. Such other exemptions and exclusions as are permitted by the federal Health
 1842 Insurance Portability and Accountability Act of 1996, P.L. 104-191, Section 2742 shall
 1843 also apply to individual accident and sickness insurance and insurers in this state."

1844 **SECTION 98.**

1845 Said title is further amended by revising Code Section 33-29-21.1, relating to availability of
 1846 accident and sickness policy upon termination of dependent coverage based on age of
 1847 dependent, as follows:

1848 "33-29-21.1.

1849 Every policy which contains a provision for termination of coverage of a dependent upon
 1850 the reaching of a certain age shall contain a provision to the effect that, upon the date of the
 1851 dependent reaching the age at which coverage would terminate under the provisions of the
 1852 policy, the dependent shall be entitled to have issued to him or her, without evidence of
 1853 insurability, upon application made to the company within 45 days following the date the
 1854 dependent reaches the age at which coverage would terminate and upon the payment of the
 1855 appropriate premium, an individual or family policy of accident and sickness insurance
 1856 then being issued by the insurer which provides coverage most nearly similar to the
 1857 coverage contained in the policy which was terminated by reason of such dependent
 1858 reaching a certain age or any similar individual or family policy then being issued by the
 1859 insurer which contains lesser coverage. Any and all probationary or waiting periods set
 1860 forth in such an individual or family policy shall be considered as being met to the extent
 1861 coverage was in force under the prior policy."

1862 **SECTION 99.**

1863 Said title is further amended in Code Section 33-30-4.2, relating to insurance coverage for
 1864 mammograms, Pap smears, and prostate specific antigen tests, by revising paragraphs (2) and
 1865 (5) of subsection (a) and subsection (b) as follows:

1866 "(2)(A) 'Mammogram' means any low-dose radiologic screening procedure for the
 1867 early detection of breast cancer provided to a woman and which utilizes equipment
 1868 approved by the Department of Community Health dedicated specifically for
 1869 mammography and includes a physician's interpretation of the results of the procedure
 1870 or interpretation by a radiologist experienced in mammograms in accordance with
 1871 guidelines established by the American College of Radiology.

1872 (B) Reimbursement for a mammogram authorized under this Code section shall be
 1873 made only if the facility in which the mammogram was performed meets accreditation
 1874 standards established by the American College of Radiology or equivalent standards
 1875 established by this state.

1876 (C) Policies subject to this Code section shall contain coverage for mammograms made
 1877 with at least the following frequency:

1878 (A)(i) Once as a base-line mammogram for any female who is at least 35 but less
 1879 than 40 years of age;

1880 (B)(ii) Once every two years for any female who is at least 40 but less than 50 years
 1881 of age;

1882 (C)(iii) Once every year for any female who is at least 50 years of age; and

1883 (D)(iv) When ordered by a physician for a female at risk."

1884 "(5) ~~Prostate-specific~~ Prostate-specific antigen test' means a measurement, in accordance
 1885 with standards established by the American College of Pathologists, of a substance
 1886 produced by the epithelium to determine if there is any benign or malignant prostate
 1887 tissue."

1888 "(b)(1) Every insurer authorized to issue a group accident and sickness insurance policy
 1889 in this state which includes coverage for any female shall include as part of or as a
 1890 required endorsement to each such policy which is issued, delivered, issued for delivery,
 1891 or renewed ~~on or after July 1, 1992,~~ coverage for mammograms and Pap smears for the
 1892 covered females which at least meets the minimum requirements of this Code section.

1893 (2) Every insurer authorized to issue a group accident and sickness insurance policy in
 1894 this state which includes coverage for any male shall include as a part of or as a required
 1895 endorsement to each such policy which is issued, delivered, issued for delivery, or
 1896 renewed ~~on or after July 1, 1992,~~ coverage for annual ~~prostate-specific~~ prostate-specific
 1897 antigen tests for the covered males who are 45 years of age or older or for covered males
 1898 who are 40 years of age or older, if ordered by a physician."

1899 **SECTION 100.**

1900 Said title is further amended in Code Section 33-30-4.3, relating to utilization of mail-order
 1901 pharmaceutical distributors in policies, plans, contracts, or funds and utilization of other

1902 providers of pharmaceutical services under same terms and conditions, by revising
1903 subsection (b) as follows:

1904 "(b) A group or blanket accident and sickness insurance policy, plan, contract, or fund may
1905 not be issued, delivered, issued for delivery, or renewed by a health care insurer ~~on or after~~
1906 ~~July 1, 1991~~, if such policy, plan, contract, or fund requires that insureds thereunder obtain
1907 pharmaceutical services, including prescription drugs, exclusively from a mail-order
1908 pharmaceutical distributor. Insureds who do not utilize a mail-order pharmaceutical
1909 distributor shall not be required to pay a different copayment fee or have imposed any
1910 varying conditions for the receipt of pharmaceutical services, including prescription drugs,
1911 when that payment or condition is not imposed upon those insureds who utilize a
1912 mail-order pharmaceutical distributor for those services if the provider of pharmaceutical
1913 services utilized by the insured has agreed to the same terms and conditions as applicable
1914 to the mail-order pharmaceutical distributor and has agreed to accept payment or
1915 reimbursement from the health care insurer at no more than the same amount which would
1916 have been paid to the mail-order pharmaceutical distributor for the same pharmaceutical
1917 services."

1918 SECTION 101.

1919 Said title is further amended in Code Section 33-30-4.5, relating to coverage for child
1920 wellness services, by revising subsections (b) and (g) as follows:

1921 "(b) Every insurer authorized to issue a group accident and sickness policy in this state
1922 shall include, either as a part of or as a required endorsement to each such basic medical
1923 or hospital expense, major medical, and comprehensive medical expense insurance policy
1924 issued, delivered, issued for delivery, or renewed in this state ~~on or after July 1, 1995~~, basic
1925 coverage for child wellness services for an insured child from birth through the age of five
1926 years. Any such policy may provide that the child wellness services which are rendered
1927 during a periodic review shall only be covered to the extent that such services are provided
1928 by or under the supervision of a single physician during the course of one visit. The
1929 Commissioner shall define by regulation the basic coverage for child wellness services and
1930 may consider the ~~current~~ recommendations for preventive pediatric health care by the
1931 American Academy for Pediatrics and any other relevant data or information in the
1932 promulgation of such regulation."

1933 "~~(g) Beginning July 1, 2000, the Commissioner shall conduct a review of the cost~~
1934 ~~associated with the coverage required by this Code section and shall provide the members~~
1935 ~~of the General Assembly with such information not later than December 31, 2000.~~
1936 Reserved."

SECTION 102.

1937

1938 Reserved.

SECTION 103.

1939

1940 Said title is further amended in Code Section 33-30-15, relating to continuation of similar
 1941 coverage, preexisting conditions, and procedures and guidelines, by revising subsection (b)
 1942 as follows:

1943 "(b) Notwithstanding any other provision of this title which might be construed to the
 1944 contrary, ~~on and after July 1, 1998~~, all group basic hospital or medical expense, major
 1945 medical, or comprehensive medical expense coverages which are issued, delivered, issued
 1946 for delivery, or renewed in this state shall provide the following:

1947 (1) Subject to compliance with the provisions of subsections (c) and (d) of this Code
 1948 section, any newly eligible group member, subscriber, enrollee, or dependent who has
 1949 had creditable coverage under another health benefit plan within the previous 90 days
 1950 shall be eligible for coverage immediately upon completion of any policyholder imposed
 1951 waiting period; and

1952 (2) Once such creditable coverage terminates, including termination of such creditable
 1953 coverage after any period of continuation of coverage required under Code Section
 1954 33-24-21.1 or the provisions of Title X of the Omnibus Budget Reconciliation Act of
 1955 1986, the insurer must offer a conversion policy to the eligible group member, subscriber,
 1956 enrollee, or dependent."

SECTION 104.

1957

1958 Said title is further amended in Code Section 33-30-23, relating to standards, payments or
 1959 reimbursement for noncontracting provider of covered services, filing requirements for
 1960 unlicensed entities, and provision for payment solely to provider, by revising paragraph (6)
 1961 of subsection (b) as follows:

1962 "(6) Be a result of a negotiation with a primary care physician to become a preferred
 1963 provider unless ~~that~~ such physician shall be furnished, ~~beginning on and after January 1,~~
 1964 ~~2001~~, with a schedule showing common office based fees payable for services under ~~that~~
 1965 such arrangement."

SECTION 105.

1966

1967 Reserved.

SECTION 106.

1968
 1969 Said title is further amended in Code Section 33-31-2, relating to applicability of chapter, by
 1970 revising subsection (c) as follows:

1971 "~~(c) All life insurance and all accident and sickness insurance sold on and after July 1,~~
 1972 ~~1991,~~ in connection with loans or other credit transactions pursuant to a plan covering all
 1973 debtors of a creditor or a class or classes of debtors shall be subject to this chapter, except
 1974 such insurance sold ~~on and after July 1, 1991,~~ in connection with a loan or other credit
 1975 transaction of more than ten years' duration."

SECTION 107.

1976
 1977 Said title is further amended in Code Section 33-31-9, relating to premiums and refunds and
 1978 credits, by revising subsections (b) and (c.1) as follows:

1979 "(b) The amount collected by the creditor from the debtor for any credit life insurance or
 1980 any credit accident and sickness insurance shall be consistent with the premium rate
 1981 charged by the insurer. Nothing in this chapter shall be construed to legalize any charge
 1982 ~~now~~ illegal under any statute or rule of law governing credit transactions."

1983 "(c.1) Each individual policy, notice of proposed insurance, or group certificate of credit
 1984 life insurance and credit accident and sickness insurance issued ~~after May 2, 2005,~~ shall
 1985 provide a notice on the face of such policy, notice, or certificate in at least 10 point type
 1986 that it is the obligation of the insured to notify the insurer of any early payoff of the
 1987 indebtedness which is covered by the insurance."

SECTION 108.

1988
 1989 Said title is further amended by revising Code Section 33-32-6, relating to tobacco crop
 1990 insurance coverage, as follows:

1991 "33-32-6.

1992 Any insurer issuing ~~on or after April 28, 1999,~~ a policy providing crop insurance coverage,
 1993 other than federal crop insurance pursuant to 7 U.S.C. Section 1501, et seq., for tobacco
 1994 crops grown in this state against loss or damage due to wind, hail, or both shall make
 1995 available such coverage for a term extending until such time as the tobacco crop is
 1996 harvested, either as a part of or as an optional endorsement to such policy of crop
 1997 insurance."

SECTION 109.

1998
 1999 Said title is further amended by revising Code Section 33-33-7, relating to appeals from
 2000 actions or decisions, as follows:

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2001 "33-33-7.
 2002 Any person aggrieved by any action or decision of the administrators of the plan, the
 2003 underwriting association, or of any insurer as a result of its participation in the plan may
 2004 appeal to the Commissioner within 30 days from the date of the action or the decision. The
 2005 Commissioner, after a hearing held upon proper notice, shall issue an order approving the
 2006 action or decision or disapproving the action or decision with respect to the matter which
 2007 is the subject of appeal. All final orders and decisions of the Commissioner shall be subject
 2008 to judicial review as provided in Chapter 2 of this title."

2009 **SECTION 110.**

2010 Said title is further amended in Code Section 33-33-8, relating to temporary insurance
 2011 coverage for local public entity filing appeal of adverse underwriting decision, by revising
 2012 subsection (b) as follows:

2013 "(b) In the event the ~~existing~~ insurance coverage of a local public entity filing an appeal
 2014 of an adverse underwriting decision of the association established pursuant to this chapter
 2015 is scheduled to cancel or expire while such appeal is pending, the Commissioner shall
 2016 direct the association to provide coverage authorized under this chapter on a temporary
 2017 basis to the local public entity as provided in this Code section."

2018 **SECTION 111.**

2019 Said title is further amended in Code Section 33-34-2, relating to definitions, by revising
 2020 paragraph (4) as follows:

2021 "(4) 'Self-insurer' means any owner who has on file with the Commissioner ~~of Insurance~~
 2022 an approved plan of self-insurance which provides for coverages, benefits, and efficient
 2023 claims handling procedures substantially equivalent to those afforded by a policy of
 2024 automobile liability insurance that complies with all of the requirements of this chapter."

2025 **SECTION 112.**

2026 Said title is further amended in Code Section 33-34-3, relating to requirements for issuance
 2027 of policies, by revising subsection (e) as follows:

2028 "(e) Each policy of motor vehicle liability insurance issued in this state ~~on or after October~~
 2029 ~~1, 1991~~, shall provide that the requirement for giving notice of a claim, if not satisfied by
 2030 the insured within 30 days of the date of the accident, may be satisfied by an injured third
 2031 party who, as the result of such accident, has a claim against the insured; provided,
 2032 however, that notice of a claim given by an injured third party to an insurer under this
 2033 subsection shall be accomplished by mail. Each policy of motor vehicle liability insurance
 2034 issued or renewed in this state ~~on and after October 1, 1991~~, shall be deemed to include and

2035 construed as including the provision regarding the notice requirements provided in this
 2036 subsection."

2037 **SECTION 113.**

2038 Said title is further amended in Code Section 33-34-5.1, relating to self-insurers, by revising
 2039 subparagraphs (a)(3)(C) through (a)(3)(G) as follows:

2040 ~~"(C) Except as otherwise provided in subparagraph (D) of this paragraph, on or after~~
 2041 ~~July 1, 1994, to~~ To qualify for a certificate of self-insurance under subparagraph (B) of
 2042 this paragraph, a person shall maintain with the Commissioner a cash deposit of at least
 2043 \$100,000.00 and shall also possess and thereafter maintain an additional amount of at
 2044 least \$300,000.00 which shall be invested in the types of assets described in
 2045 subparagraphs (A) through (H) of paragraph (3) of Code Section 33-11-5 and Code
 2046 Sections 33-11-10, 33-11-14.1, 33-11-20, 33-11-21, and 33-11-25, which relate to
 2047 various types of authorized investments for insurers.

2048 ~~(D) Any person operating as a self-insurer pursuant to a certificate of self-insurance~~
 2049 ~~issued prior to July 1, 1994, shall be allowed a transition period in which to meet the~~
 2050 ~~requirements of subparagraph (C) of this paragraph; provided, however, that, except as~~
 2051 ~~provided in subparagraph (G) of this paragraph, on and after December 31, 1995, all~~
 2052 ~~self-insurers under this paragraph shall comply fully with the requirements of~~
 2053 ~~subparagraph (C) of this paragraph. The Commissioner shall promulgate rules and~~
 2054 ~~regulations relative to the transition period for compliance provided in this~~
 2055 ~~subparagraph.~~

2056 ~~(E)(D) Beginning July 1, 1994, and each~~ Each year thereafter, a person operating as a
 2057 self-insurer pursuant to this paragraph shall submit to the Commissioner, on forms
 2058 prescribed by the Commissioner, reports of the business affairs and operations of the
 2059 self-insurer in the same manner as required of insurers pursuant to Code Section
 2060 33-3-21. A person operating as a self-insurer pursuant to this paragraph shall also
 2061 submit to the Commissioner an annual financial statement audited by an independent
 2062 certified public accountant. The value of any asset listed in any report required by this
 2063 subparagraph shall be limited to the equity interest of the person operating as a
 2064 self-insurer pursuant to this paragraph.

2065 ~~(F)(E)~~ Any person operating as a self-insurer pursuant to this paragraph shall be
 2066 subject to examination and proceedings in the same manner applicable to insurers
 2067 transacting motor vehicle insurance in this state as provided in Chapter 2 of this title
 2068 and shall maintain reserves for losses in the same manner as insurers transacting motor
 2069 vehicle insurance as provided in Chapter 10 of this title.

2070 ~~(G)~~(F) Until December 31, 2003, the provisions of subparagraph (C) of this paragraph
 2071 shall not apply to taxicab self-insurers which were located in counties with populations
 2072 of 400,000 or less according to the United States decennial census of 1990 or any future
 2073 such census and were licensed by the Commissioner on December 31, 1998."

2074 SECTION 114.

2075 Said title is further amended by revising Code Section 33-34A-2, relating to definitions, as
 2076 follows:

2077 "33-34A-2.

2078 As used in this chapter, the term:

2079 (1) 'Administrator' means a third party other than the warrantor who is designated by the
 2080 warrantor to be responsible for the administration of vehicle protection product
 2081 warranties.

2082 (2) 'Department' means the ~~Insurance~~ Department of Insurance.

2083 ~~(3) 'Commissioner' means the Commissioner of Insurance.~~

2084 ~~(4)~~(3) 'Service contract' means a contract or agreement as defined under Code Section
 2085 33-7-6.

2086 ~~(5)~~(4) 'Incidental costs' means expenses specified in the warranty incurred by the
 2087 warranty holder related to the failure of the vehicle protection product to perform as
 2088 provided in the warranty. Incidental costs may include, without limitation, insurance
 2089 policy deductibles, rental vehicle charges, the difference between the actual value of the
 2090 stolen vehicle at the time of theft and the cost of a replacement vehicle, sales taxes,
 2091 registration fees, transaction fees, and mechanical inspection fees.

2092 ~~(6)~~(5) 'Vehicle protection product' means a vehicle protection device, system, or service
 2093 that:

2094 (A) Is installed on or applied to a vehicle;

2095 (B) Is designed to prevent loss or damage to a vehicle from a specific cause; and

2096 (C) Includes a written warranty.

2097 For purposes of this chapter, the term 'vehicle protection product' shall include, without
 2098 limitation, alarm systems, body part marking products, steering locks, window etch
 2099 products, pedal and ignition locks, fuel and ignition kill switches, and electronic, radio,
 2100 and satellite tracking devices.

2101 ~~(7)~~(6) 'Vehicle protection product warranty' or 'warranty' means, for the purposes of this
 2102 chapter, a written agreement by a warrantor that provides that if the vehicle protection
 2103 product fails to prevent loss or damage to a vehicle from a specific cause, then the
 2104 warranty holder shall be paid specified incidental costs by the warrantor as a result of the
 2105 failure of the vehicle protection product to perform pursuant to the terms of the warranty.

2106 ~~(8)~~(7) 'Vehicle protection product warrantor' or 'warrantor' for the purposes of this
 2107 chapter means a person who is contractually obligated to the warranty holder under the
 2108 terms of the vehicle protection product warranty agreement. 'Warrantor' does not include
 2109 an authorized insurer.

2110 ~~(9)~~(8) 'Warranty holder' for the purposes of this chapter means the person who purchases
 2111 a vehicle protection product or who is a permitted transferee.

2112 ~~(10)~~(9) 'Warranty reimbursement insurance policy' means a policy of insurance that is
 2113 issued to the vehicle protection product warrantor to provide reimbursement to the
 2114 warrantor or to pay on behalf of the warrantor all covered contractual obligations incurred
 2115 by the warrantor under the terms and conditions of the insured vehicle protection product
 2116 warranties sold by the warrantor."

2117 **SECTION 115.**

2118 Said title is further amended by revising Code Section 33-34A-12, relating to adoption of
 2119 rules and regulations, as follows:

2120 "33-34A-12.

2121 The Commissioner ~~may~~ shall adopt ~~such administrative rules consistent with the provisions~~
 2122 ~~of this chapter as are necessary to implement them. Such rules and regulations shall~~ which
 2123 include disclosures for the benefit of the warranty holder, record keeping, and procedures
 2124 for public complaints. Such rules and regulations shall also include the conditions under
 2125 which surplus lines insurers may be rejected for the purpose of underwriting vehicle
 2126 protection product warranty agreements."

2127 **SECTION 116.**

2128 Said title is further amended by revising Code Section 33-34A-13, relating to applicability,
 2129 as follows:

2130 "33-34A-13.

2131 ~~This chapter applies to all service contracts sold or offered for sale on or after January 1,~~
 2132 ~~2004. The failure of any person to comply with this chapter prior to January 1, 2004, shall~~
 2133 ~~not be admissible in any court proceeding, administrative proceeding, arbitration, or~~
 2134 ~~alternative dispute resolution proceeding and may not otherwise be used to prove that the~~
 2135 ~~action of any person or the affected vehicle protection product was unlawful or otherwise~~
 2136 ~~improper. Reserved.~~"

2137 **SECTION 117.**

2138 Said title is further amended in Code Section 33-35-1, relating to purposes of chapter and
 2139 legislative findings of fact, by revising subsection (b) as follows:

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2140 "(b) The General Assembly finds that insurers authorized to transact casualty, life, or
 2141 accident and sickness insurance in this state are authorized to write policies for prepaid
 2142 legal services. The General Assembly further finds that there ~~presently~~ exists no other
 2143 specific framework within the insurance laws of this state designed to regulate prepaid
 2144 legal services. Because of the interest of the state in the controlled development of new
 2145 methods for providing legal services, exertion of the state's power is necessary for the
 2146 protection of its citizens."

2147 **SECTION 118.**

2148 Said title is further amended in Code Section 33-35-2, relating to definitions, by revising
 2149 paragraph (2) as follows:

2150 "(2) 'Insurer' means an insurer authorized to transact casualty, life, or accident and
 2151 sickness insurance in this state ~~or any corporation organized pursuant to Chapter 18 or~~
 2152 ~~19 of this title."~~

2153 **SECTION 119.**

2154 Said title is further amended in Code Section 33-35-7, relating to grounds and procedure for
 2155 revocation, suspension, or refusal to renew licenses, imposition of probation or fine, and
 2156 review, by revising subsection (c) as follows:

2157 "(c) In lieu of revoking, suspending, or refusing to renew the license for any of the causes
 2158 enumerated in subsection (a) of this Code section, after hearing as provided in this
 2159 subsection the Commissioner may place the sponsor on probation for a period of time not
 2160 to exceed one year or may fine the sponsor not more than ~~\$1,000.00~~ \$2,000.00 for each
 2161 offense, or do both, when, in ~~his~~ the Commissioner's judgment he or she finds that the
 2162 public interest would not be harmed by the continued operation of the sponsor. The
 2163 amount of any penalty shall be paid by such sponsor to the Commissioner for the use of the
 2164 state."

2165 **SECTION 120.**

2166 Said title is further amended in Code Section 33-35-9, relating to sale of subscription
 2167 contracts, by revising subsection (a) as follows:

2168 "~~(a) No subscription contracts for prepaid legal services may be sold or offered for sale in~~
 2169 ~~this state prior to April 1, 1976, provided that nothing~~ Nothing contained in this Code
 2170 section shall be deemed to prohibit an insurer authorized to transact casualty, life, or
 2171 accident and sickness insurance in this state from selling or offering for sale in this state
 2172 individually underwritten and individually issued policies of prepaid legal services

2173 insurance on policy forms which have been approved by the Commissioner pursuant to
2174 Chapter 9 of this title."

2175 **SECTION 121.**

2176 Said title is further amended in Code Section 33-35-10, relating to powers of sponsors to
2177 contract for provision of legal and administrative services, by revising paragraph (1) of
2178 subsection (a) as follows:

2179 "(a)(1) The sponsor of any prepaid legal services plan or authorized representative of the
2180 plan may contract with any company licensed to transact casualty, life, or accident and
2181 sickness insurance in this state ~~or any corporation organized pursuant to Chapter 18 or~~
2182 ~~19 of this title~~, under which contracts the company agrees for a consideration consisting
2183 of a specified premium to assume the monetary obligations of the plan to provide or pay
2184 for the legal services covered by the subscription contracts issued under such plan upon
2185 the failure of the plan itself to meet such obligations within a specified period. The
2186 duration of the contract shall not be longer than three years and each contract shall be
2187 filed with and subject to the approval of the Commissioner for the fairness of its terms
2188 and premiums. The contracts shall be deemed to be approved 90 days after the date of
2189 filing with the Commissioner, unless prior to the expiration of such 90 day period the
2190 Commissioner notifies the sponsor of the prepaid legal services plan in writing of the
2191 Commissioner's disapproval."

2192 **SECTION 122.**

2193 Said title is further amended in Code Section 33-35-11, relating to submission to
2194 Commissioner of underwriting rules and rates, premiums, or fees and approval or
2195 disapproval, by revising subsection (c) as follows:

2196 "(c) Insurers authorized to transact casualty, life, or accident and sickness insurance in this
2197 state ~~or any corporation organized pursuant to Chapter 18 or 19 of this title~~ shall be
2198 required to comply with the requirements of this Code section if they sell or offer for sale
2199 policies of prepaid legal services insurance in this state or if they underwrite prepaid legal
2200 services plans of sponsors licensed to operate prepaid legal services plans in this state;
2201 provided, however, that nothing contained in this Code section shall be deemed to relieve
2202 any insurer authorized to transact casualty, life, or accident and sickness insurance in this
2203 state ~~or any corporation organized pursuant to Chapter 18 or 19 of this title~~ from complying
2204 with the requirements of this title and the laws of this state."

SECTION 123.

2205
2206 Said title is further amended by revising Code Section 33-35-13, relating to investment of
2207 funds of plans as follows:

2208 "33-35-13.

2209 A sponsor shall invest the funds of a prepaid legal services plan only in such investments
2210 as are authorized by the laws of this state for the investment of assets of insurance
2211 companies and subject to the limitations placed on the investments ~~or in such investments~~
2212 ~~as are authorized by the laws of this state for the investment of assets of corporations~~
2213 ~~authorized to transact business in this state pursuant to Chapter 18 or 19 of this title as the~~
2214 ~~case may be."~~

SECTION 124.

2215
2216 Said title is further amended by revising Code Section 33-35-14, relating to administration
2217 of deposits of plans, as follows:

2218 "33-35-14.

2219 Any deposits of a sponsor of a prepaid legal services plan deposited with the Commissioner
2220 pursuant to this chapter shall be administered by the Commissioner in accordance with
2221 Chapter 12 of this title as though deposited by a domestic casualty, life, or accident and
2222 sickness insurer authorized to transact insurance in this state ~~or as deposited by a~~
2223 ~~corporation authorized to transact business in this state pursuant to Chapter 18 or 19 of this~~
2224 ~~title."~~

SECTION 125.

2225
2226 Said title is further amended by revising Code Section 33-35-20, relating to promulgation of
2227 rules and regulations by Commissioner, as follows:

2228 "33-35-20.

2229 ~~The Commissioner shall have full power and authority to promulgate and adopt rules and~~
2230 ~~regulations necessary for the implementation of this chapter. Reserved."~~

SECTION 126.

2231
2232 Said title is further amended by revising Code Section 33-35-22, relating to applicability of
2233 chapter to other insurers, as follows:

2234 "33-35-22.

2235 All insurers authorized to transact casualty, life, or accident and sickness insurance in this
2236 state ~~or any corporation organized pursuant to Chapter 18 or 19 of this title~~ which is
2237 authorized to issue policies of prepaid legal services insurance in this state shall be required
2238 to meet all the requirements of this chapter unless specifically excepted from the

2239 requirements by this chapter, provided that nothing contained in this chapter shall be
 2240 deemed to relieve the obligations of an insurer authorized to transact casualty, life, or
 2241 accident and sickness insurance in this state ~~or any corporation organized pursuant to~~
 2242 ~~Chapter 18 or 19 of this title~~ from complying with any other applicable requirements of this
 2243 title and any other applicable laws of this state."

2244 SECTION 127.

2245 Said title is further amended in Code Section 33-36-3, relating to definitions, by revising
 2246 paragraphs (2), (5), and (8) as follows:

2247 "(2) 'Affiliate of the insolvent insurer' means a person who, directly or indirectly, through
 2248 one or more intermediaries, controls, is controlled by, or is under common control with
 2249 an insolvent insurer on December 31 of the year next ~~proceeding~~ preceding the date the
 2250 insurer becomes an insolvent insurer."

2251 "(5) 'Insolvent insurer' means an insurer which was licensed to issue property or casualty
 2252 insurance policies in this state at any time subsequent to July 1, 1970, and against ~~whom~~
 2253 which a final order of liquidation with a finding of insolvency has been entered by a court
 2254 of competent jurisdiction in the insurer's state of domicile or of this state and which order
 2255 of liquidation has not been stayed or been the subject of a writ of supersedeas or other
 2256 comparable order."

2257 "(8) 'Insurer' or 'company' means any corporation or organization that has held or
 2258 currently holds a license to engage in the writing of property or casualty insurance
 2259 policies in this state ~~since July 1, 1970~~, including the exchanging of reciprocal or
 2260 interinsurance contracts among individuals, partnerships, and corporations, except farmer
 2261 assessment mutual insurers, county assessment mutual insurers, and municipal
 2262 assessment mutual insurers."

2263 SECTION 128.

2264 Said title is further amended in Code Section 33-36-6, relating to plan to govern members,
 2265 rules, requirements for plan, assignment of claims or judgments against insolvent insurers,
 2266 claimants of assets of insolvent insurers, jurisdiction, and venue, by revising subsection (b)
 2267 as follows:

2268 "(b) If, for any reason, the pool fails to adopt a suitable plan ~~within six months following~~
 2269 ~~July 1, 1970~~, or if, at any time ~~after July 1, 1970~~, the pool fails to adopt necessary
 2270 amendments to the plan, the Commissioner shall adopt and promulgate, after a hearing,
 2271 such reasonable rules as are necessary to effectuate this chapter. The rules shall continue
 2272 in force until modified by the Commissioner or superseded by a plan of operation adopted
 2273 by the pool and approved by the Commissioner."

2274 **SECTION 129.**

2275 Said title is further amended in Code Section 33-36-7.1, relating to surcharge on premiums
 2276 to recoup assessments, disclosure to insureds, excess surcharges, and exception where the
 2277 expense of collection would exceed the amount of the surcharge, by revising subsection (a)
 2278 as follows:

2279 "(a) The plan adopted pursuant to Code Section 33-36-6 shall contain provisions whereby
 2280 each member insurer is required to recoup over the year following the year of the
 2281 assessment a sum calculated to recoup the assessments paid by the member insurer under
 2282 this chapter by way of a surcharge on premiums charged for insurance policies to which
 2283 this ~~article~~ chapter applies. Amounts recouped shall not be considered premiums for any
 2284 other purpose, including the computation of gross premium tax or agents' commission."

2285 **SECTION 130.**

2286 Said title is further amended in Code Section 33-37-2, relating to applicability, by revising
 2287 paragraph (1) as follows:

2288 "(1) All insurers who are doing or have done an insurance business in this state and
 2289 against whom claims ~~arising~~ may arise from ~~that~~ such business ~~may exist now or in the~~
 2290 future;"

2291 **SECTION 131.**

2292 Said title is further amended by revising Code Section 33-37-3, relating to definitions, as
 2293 follows:

2294 "33-37-3.

2295 As used in this chapter, the term:

2296 (1) 'Ancillary state' means any state other than a domiciliary state.

2297 ~~(2) 'Commissioner' means the Commissioner of Insurance.~~

2298 ~~(3)~~(2) 'Creditor' means a person having any claim, whether matured or unmatured,
 2299 liquidated or unliquidated, secured or unsecured, absolute, fixed, or contingent.

2300 ~~(4)~~(3) 'Delinquency proceeding' means any proceeding instituted against an insurer for
 2301 the purpose of liquidating, rehabilitating, reorganizing, or conserving such insurer and
 2302 any summary proceeding under Code Section 33-37-9. 'Formal delinquency proceeding'
 2303 means any liquidation or rehabilitation proceeding.

2304 ~~(5)~~(4) 'Doing business' includes any of the following acts, whether effected by mail or
 2305 otherwise:

2306 (A) The issuance or delivery of contracts of insurance to persons resident in this state;

2307 (B) The solicitation of applications for such contracts or other negotiations preliminary
 2308 to the execution of such contracts;

- 2309 (C) The collection of premiums, membership fees, assessments, or other consideration
 2310 for such contracts;
- 2311 (D) The transaction of matters subsequent to execution of such contracts and arising
 2312 out of them; or
- 2313 (E) Operating under a license or certificate of authority, as an insurer, issued by the
 2314 ~~Insurance~~ Department of Insurance.
- 2315 ~~(6)~~(5) 'Domiciliary state' means the state in which an insurer is incorporated or
 2316 organized; or, in the case of an alien insurer, its state of entry.
- 2317 ~~(7)~~(6) 'Fair consideration' means:
- 2318 (A) When in exchange for property or obligation as a fair equivalent therefor and in
 2319 good faith, property is conveyed, services are rendered, an obligation is incurred, or an
 2320 antecedent debt is satisfied; or
- 2321 (B) When property or obligation is received in good faith to secure a present advance
 2322 or antecedent, debt in amount not disproportionately small as compared to the value of
 2323 the property or obligation obtained.
- 2324 ~~(7.1)~~(7) 'Federal home loan bank' means a federal home loan bank established under the
 2325 federal Home Loan Bank Act, 12 U.S.C. Section 1421, et seq.
- 2326 (8) 'Foreign country' means any other jurisdiction not in any state.
- 2327 (9) 'General assets' means all property, real, personal, or otherwise, not specifically
 2328 mortgaged, pledged, deposited, or otherwise encumbered for the security or benefit of
 2329 specified persons or classes of persons. As to specifically encumbered property, general
 2330 assets includes all such property or its proceeds in excess of the amount necessary to
 2331 discharge the sum or sums secured thereby. Assets held in trust and on deposit for the
 2332 security or benefit of all policyholders or all policyholders and creditors in more than a
 2333 single state shall be treated as general assets.
- 2334 (10) 'Guaranty association' means the Georgia Insurers Insolvency Pool created by
 2335 Chapter 36 of this title, the Georgia Life and Health Insurance Guaranty Association
 2336 created by Chapter 38 of this title, and any other similar entity now or hereafter created
 2337 by the General Assembly for the payment of claims of insolvent insurers. 'Foreign
 2338 guaranty association' means any similar entities now in existence in or hereafter created
 2339 by the legislature of any other state.
- 2340 (11) 'Insolvency' or 'insolvent' means:
- 2341 (A) For an insurer issuing only assessable fire insurance policies:
- 2342 (i) The inability to pay any obligation within 30 days after it becomes payable; or
- 2343 (ii) If an assessment is made within 30 days after an obligation becomes payable, the
 2344 inability to pay such obligation 30 days following the date specified in the first
 2345 assessment notice issued after the date of loss; and

2346 (B) For any other insurer, the inability to pay its obligations when they are due, or
 2347 when its admitted assets do not exceed its liabilities plus the greater of:

2348 (i) Any capital and surplus required by law for its organization; or

2349 (ii) The total par or stated value of its authorized and issued capital stock; ~~and.~~

2350 ~~(C) As to any insurer licensed to do business in this state as of July 1, 1991, which does~~
 2351 ~~not meet the standard established under subparagraph (B) of this paragraph, for a period~~
 2352 ~~not to exceed three years from July 1, 1991, the inability to pay its obligations when~~
 2353 ~~they are due or that its admitted assets do not exceed its liabilities plus any required~~
 2354 ~~capital contribution ordered by the Commissioner under provisions of this title.~~

2355 For purposes of this paragraph, 'liabilities' shall include, but not be limited to, reserves
 2356 required by statute or by regulations or specific requirements imposed by the
 2357 Commissioner upon a subject company at the time of admission or subsequent thereto.

2358 (12) 'Insurer' means any person who has done, purports to do, is doing, or is licensed to
 2359 do an insurance business and is or has been subject to liquidation, rehabilitation,
 2360 reorganization, supervision, the authority of, or conservation by any state insurance
 2361 regulatory official. For purposes of this chapter, any other persons included under Code
 2362 Section 33-37-2 shall be deemed to be insurers.

2363 ~~(12.1)~~(13) 'Insurer-member' means an insurer who is a member of a federal home loan
 2364 bank.

2365 ~~(13)~~(14) 'Preferred claim' means any claim with respect to which the terms of this
 2366 chapter accord priority of payment from the general assets of the insurer.

2367 ~~(14)~~(15) 'Receiver' means receiver, liquidator, rehabilitator, or conservator as the context
 2368 requires.

2369 ~~(15)~~(16) 'Secured claim' means any claim secured by mortgage, trust deed, pledge,
 2370 deposit as security, escrow, or otherwise, but not including special deposit claims or
 2371 claims against general assets. The term also includes claims which have become liens
 2372 upon specific assets by reason of judicial process.

2373 ~~(16)~~(17) 'Special deposit claim' means any claim secured by a deposit made pursuant to
 2374 statute for the security or benefit of a limited class or classes of persons, but not including
 2375 any claim secured by general assets.

2376 ~~(17)~~(18) 'State' means any state, district, or territory of the United States.

2377 ~~(18)~~(19) 'Transfer' shall include the sale and every other and different mode, direct or
 2378 indirect, of disposing of or of parting with property, an interest therein, the possession
 2379 thereof or of fixing a lien upon property or upon an interest therein, whether absolutely
 2380 or conditionally, voluntarily, or by or without judicial proceedings. The retention of a
 2381 security title to property delivered to a debtor shall be deemed a transfer suffered by the
 2382 debtor."

2383 **SECTION 132.**

2384 Said title is further amended by revising Code Section 33-37-7, relating to effect of
2385 enactment of chapter on pending proceedings, as follows:

2386 "33-37-7.

2387 ~~Every proceeding commenced under the laws in effect before July 1, 1991, shall be deemed~~
2388 ~~to have commenced under this chapter for the purpose of conducting the proceeding in this~~
2389 ~~chapter, except that in the discretion of the Commissioner the proceeding may be~~
2390 ~~continued, in whole or in part, as it would have been continued had this chapter not been~~
2391 ~~enacted. Reserved.~~"

2392 **SECTION 133.**

2393 Said title is further amended in Code Section 33-37-8.1, relating to immunity of receivers and
2394 employees, indemnification, attorney's fees, approval of settlement, and application of
2395 provisions, by revising subsections (b) and (h) as follows:

2396 "(b) The receiver and his or her employees shall have official immunity and shall be
2397 immune from suit and liability, both personally and in their official capacities, for any
2398 claim for damage to or loss of property, personal injury, or other civil liability caused by
2399 or resulting from any alleged act, error, or omission of the receiver or any employee arising
2400 out of or by reason of their duties or employment, provided that nothing in this ~~provision~~
2401 ~~subsection~~ shall be construed to hold the receiver or any employee immune from suit or
2402 liability for any damage, loss, injury, or liability caused by the intentional or willful and
2403 wanton misconduct of the receiver or any employee."

2404 ~~"(h)(1) Subsection (b) of this Code section shall apply to any suit based in whole or in part~~
2405 ~~on any alleged act, error, or omission which takes place on or after April 15, 1996:~~

2406 ~~(2) No legal action shall lie against the receiver or any employee based in whole or in~~
2407 ~~part on any alleged act, error, or omission which took place prior to April 15, 1996,~~
2408 ~~unless a suit is filed and valid service of process is obtained within 12 months after April~~
2409 ~~15, 1996.~~

2410 ~~(3) Subsections (c), (d), (e), and (f) of this Code section shall apply to any suit which is~~
2411 ~~pending on or filed after April 15, 1996, without regard to when the alleged act, error, or~~
2412 ~~omission took place. Reserved.~~"

2413 **SECTION 134.**

2414 Said title is further amended in Code Section 33-37-11, relating to petition for rehabilitation
2415 and grounds, by revising paragraph (12) as follows:

2416 "(12) The board of directors or the holders of a majority of the shares entitled to vote or
 2417 a majority of those individuals entitled to the control of ~~insurers~~ the insurer request or
 2418 consent to rehabilitation under this chapter."

2419 **SECTION 135.**

2420 Said title is further amended in Code Section 33-37-17, relating to Commissioner appointed
 2421 as liquidator, seizure and administration of assets, effect of final order, petition for
 2422 declaration of insolvency, financial reports, and plan for continued performance pending
 2423 appeal, by revising paragraph (1) of subsection (f) as follows:

2424 "(f)(1) ~~Within ten days of July 1, 1991, or, if later, within~~ Within five days after the
 2425 initiation of an appeal of an order of liquidation, which order has not been stayed, the
 2426 Commissioner shall present for the court's approval a plan for the continued performance
 2427 of the defendant company's policy claims obligations, including the duty to defend
 2428 insureds under liability insurance policies, during the pendency of an appeal. Such plan
 2429 shall provide for the continued performance and payment of policy claims obligations in
 2430 the normal course of events, notwithstanding the grounds alleged in support of the order
 2431 of liquidation including the ground of insolvency. In the event the defendant company's
 2432 financial condition will not, in the judgment of the Commissioner, support the full
 2433 performance of all policy claims obligations during the appeal pendency period, the plan
 2434 may prefer the claims of certain policyholders and claimants over creditors and interested
 2435 parties as well as other policyholders and claimants as the Commissioner finds to be fair
 2436 and equitable considering the relative circumstances of such policyholders and claimants.
 2437 The court shall examine the plan submitted by the Commissioner and if it finds the plan
 2438 to be in the best interests of the parties, the court shall approve the plan. No action shall
 2439 lie against the Commissioner or any of his or her deputies, agents, clerks, assistants, or
 2440 attorneys by any party based on preference in an appeal pendency plan approved by the
 2441 court."

2442 **SECTION 136.**

2443 Said title is further amended in Code Section 33-37-18, relating to termination of policy
 2444 coverage, by revising paragraph (4) of subsection (a) as follows:

2445 "(4) The date on which the liquidator effects a transfer of the policy obligation pursuant
 2446 to paragraph (9) or (10) of subsection (a) of Code Section 33-37-20; or"

SECTION 137.

2447
 2448 Said title is further amended by revising Code Section 33-37-26.1, relating to limitations on
 2449 ability of receiver to void transfer of certain property in connection with federal home loan
 2450 bank security agreement and transfer avoidance under certain circumstances, as follows:

2451 "33-37-26.1.

2452 The receiver for an ~~insurer-member~~ insurer shall not void any transfer of, or any obligation
 2453 to transfer, money or any other property arising under or in connection with any federal
 2454 home loan bank security agreement; any pledge, security, collateral, or guarantee
 2455 agreement; or any other similar arrangement or credit enhancement relating to a federal
 2456 home loan bank security agreement made in the ordinary course of business and in
 2457 compliance with the applicable federal home loan bank agreement. However, a transfer
 2458 may be avoided under this Code section if the transfer was made with intent to hinder,
 2459 delay, or defraud the ~~insurer-member~~ insurer, the receiver for the ~~insurer-member~~ insurer,
 2460 or existing or future creditors. This Code section shall not affect a receiver's rights
 2461 regarding advances to an ~~insurer-member~~ insurer in delinquency proceedings pursuant to
 2462 12 C.F.R. Section 1266.4."

SECTION 138.

2463
 2464 Said title is further amended in Code Section 33-37-28, relating to disallowing preferred
 2465 creditor's claims, by revising subsection (b) as follows:

2466 "(b) A claim allowable under subsection (a) of this Code section by reason of the
 2467 avoidance, whether voluntary or involuntary, a preference, lien, conveyance, transfer,
 2468 assignment, or encumbrance, may be filed as an excused ~~last~~ late filing under Code Section
 2469 33-37-34 if filed within 30 days from the date of the avoidance, or within the further time
 2470 allowed by the court under subsection (a) of this Code section."

SECTION 139.

2471
 2472 Said title is further amended in Code Section 33-37-33, relating to application for approval
 2473 of proposal to disburse assets and notice, by revising subsection (e) as follows:

2474 "(e) Notice of such application shall be given to the association in and to the
 2475 commissioners of insurance of each of the states. Any such notice shall be deemed to have
 2476 been given when deposited in the United States ~~certified mails, first-class postage prepaid~~
 2477 mail to be dispatched by certified mail or first-class mail at least 30 days prior to
 2478 submission of such application to the court. Action on the application may be taken by the
 2479 court provided the above-required notice has been given and, provided, further, that the
 2480 liquidator's proposal complies with paragraphs (1) and (2) of subsection (b) of this Code
 2481 section."

SECTION 140.

2482

2483 Said title is further amended by revising Code Section 33-37-41, relating to priority of
2484 distribution of claims, as follows:

2485 "33-37-41.

2486 ~~For all pending and future claims in insolvencies existing on July 1, 1997, and for~~ For all
2487 claims in ~~future~~ insolvencies, the priority of distribution of claims from the insurer's estate
2488 shall be in accordance with the order as set forth in this Code section. Every claim in each
2489 class shall be paid in full or adequate funds retained for such payment before the members
2490 of the next class receive any payment. No subclasses shall be established within any class.
2491 The order of distribution of claims shall be:

2492 (1) **Class 1.** The costs and expenses of administration during rehabilitation and
2493 liquidation, including, but not limited to, the following:

2494 (A) The actual and necessary costs of preserving or recovering the assets of the insurer;

2495 (B) Compensation for all authorized services rendered in the rehabilitation and
2496 liquidation;

2497 (C) Any necessary filing fees;

2498 (D) The fees and mileage payable to witnesses;

2499 (E) Authorized reasonable attorney's fees and other professional services rendered in
2500 the rehabilitation and liquidation; and

2501 (F) The reasonable expenses of a guaranty association or foreign guaranty association
2502 for unallocated loss adjustment expenses;

2503 (2) **Class 2.** All claims under policies, including third-party claims and all claims of a
2504 guaranty association or foreign guaranty association. All claims under life insurance and
2505 annuity policies, whether for death proceeds, annuity proceeds, or investment values,
2506 shall be treated as loss claims. That portion of any loss, indemnification for which is
2507 provided by other benefits or advantages recovered by the claimant, shall not be included
2508 in this class other than benefits or advantages recovered or recoverable in discharge of
2509 familial obligation of support or by way of succession at death or as proceeds of life
2510 insurance or as gratuities. No payment by an employer to his or her employee shall be
2511 treated as a gratuity;

2512 (3) **Class 3.** Claims of the federal government except those under Class 2;

2513 (4) **Class 4.** Reasonable compensation to employees for services performed to the extent
2514 that such compensation does not exceed two months of monetary compensation and
2515 represents payment for services performed within one year before the filing of the
2516 petition for liquidation or, if rehabilitation preceded liquidation, within one year before
2517 the filing of the petition for rehabilitation. Principal officers and directors shall not be
2518 entitled to the benefit of this priority except as otherwise approved by the liquidator and

2519 the court. Such priority shall be in lieu of any other similar priority which may be
 2520 authorized by law as to wages or compensation of employees;

2521 (5) **Class 5.** Claims under nonassessable policies for unearned premium or other
 2522 premium refunds and claims of general creditors, including claims of ceding and
 2523 assuming companies in their capacity as such;

2524 (6) **Class 6.** Claims of any state or local government except those under Class 2.
 2525 Claims, including those of any governmental body for a penalty or forfeiture, shall be
 2526 allowed in this class only to the extent of the pecuniary loss sustained from the act,
 2527 transaction, or proceeding out of which the penalty or forfeiture arose with reasonable
 2528 and actual costs occasioned thereby. The remainder of such claims shall be postponed
 2529 to the class of claims established under paragraph (9) of this Code section;

2530 (7) **Class 7.** Claims filed late or any other claims other than claims under paragraphs (8)
 2531 and (9) of this Code section;

2532 (8) **Class 8.** Surplus or contribution notes or similar obligations and premium refunds
 2533 on assessable policies. Payments to members of domestic mutual insurance companies
 2534 shall be limited in accordance with law; and

2535 (9) **Class 9.** The claims of shareholders or other owners in their capacity as
 2536 shareholders."

2537 **SECTION 141.**

2538 Said title is further amended in Code Section 33-38-2, relating to scope, by revising
 2539 subsection (d) as follows:

2540 "(d) The provisions of this Code section shall apply only to coverage the guaranty
 2541 association provides in connection with any member insurer that is placed under an order
 2542 of liquidation with a finding of insolvency on or after ~~the effective date of this Code section~~
 2543 July 1, 2012."

2544 **SECTION 142.**

2545 Said title is further amended in Code Section 33-38-4, relating to definitions, by revising
 2546 paragraphs (11) and (12) as follows:

2547 "(11) 'Impaired insurer' means a member insurer which is not an insolvent insurer and
 2548 is placed under an order of rehabilitation or conservation by a court of competent
 2549 jurisdiction ~~on or after July 1, 1981.~~

2550 (12) 'Insolvent insurer' means a member insurer against which an order of liquidation
 2551 containing a finding of insolvency has been entered by a court of competent jurisdiction
 2552 ~~on or after July 1, 1981.~~"

SECTION 143.

2553

2554 Said title is further amended in Code Section 33-38-7, relating to powers and duties of the
 2555 association generally, by revising paragraph (13) of subsection (a) and subsection (b) as
 2556 follows:

2557 "(13) In performing its obligations to provide coverage under ~~Code Section 33-38-7~~ this
 2558 Code section, the association shall not be required to guarantee, assume, reinsure, or
 2559 perform, or cause to be guaranteed, assumed, reinsured, or performed, the contractual
 2560 obligations of the insolvent or impaired insurer under a covered policy or contract that
 2561 do not materially affect the economic values or economic benefits of the covered policy
 2562 or contract;"

2563 "(b) The provisions of this Code section shall apply only to coverage the guaranty
 2564 association provides in connection with any member insurer that is placed under an order
 2565 of liquidation with a finding of insolvency on or after ~~the effective date of this Code section~~
 2566 July 1, 2012."

SECTION 144.

2567

2568 Said title is further amended in Code Section 33-38-8, relating to submission of plan of
 2569 operation, contents, and compliance with such plan, by revising subsection (a) as follows:

2570 "(a) The association shall submit to the Commissioner a plan of operation and any
 2571 amendments thereto necessary or suitable to assure the fair, reasonable, and equitable
 2572 administration of the association. The plan of operation and any amendments thereto shall
 2573 become effective upon approval in writing by the Commissioner. If the association fails
 2574 to submit a suitable plan of operation ~~within 180 days following July 1, 1981~~, or, if at any
 2575 time thereafter the association fails to submit suitable amendments to the plan, the
 2576 Commissioner shall, after notice and hearing, adopt and promulgate such reasonable rules
 2577 as are necessary or advisable to effectuate the provisions of this chapter. Such rules shall
 2578 continue in force until modified by the Commissioner or superseded by a plan submitted
 2579 by the association and approved in writing by the Commissioner."

SECTION 145.

2580

2581 Said title is further amended in Code Section 33-39-2, relating to applicability of obligations
 2582 imposed by chapter, extension of rights granted by chapter, and applicability of chapter to
 2583 information from public records pertaining to title insurance, by revising subsection (a) as
 2584 follows:

2585 "(a) The obligations imposed by this chapter shall apply to those insurance institutions,
 2586 agents, or insurance-support organizations which, ~~on or after January 1, 1984~~:

- 2587 (1) In the case of life, health, or disability insurance:
- 2588 (A) Collect, receive, or maintain information which pertains to natural persons who are
- 2589 residents of this state in connection with insurance transactions; or
- 2590 (B) Engage in insurance transactions with applicants, individuals, or policyholders who
- 2591 are residents of this state; and
- 2592 (2) In the case of property or casualty insurance:
- 2593 (A) Collect, receive, or maintain information in connection with insurance transactions
- 2594 involving policies, contracts, or certificates of insurance delivered, issued for delivery,
- 2595 or renewed in this state; or
- 2596 (B) Engage in insurance transactions involving policies, contracts, or certificates of
- 2597 insurance delivered, issued for delivery, or renewed in this state."

2598 **SECTION 146.**

2599 Said title is further amended by revising Code Section 33-39-3, relating to definitions, as

2600 follows:

2601 "33-39-3.

2602 As used in this chapter:

- 2603 (1) 'Adverse underwriting decision' means:
- 2604 (A) Any of the following actions with respect to insurance transactions involving
- 2605 insurance coverage which is individually underwritten:
- 2606 (i) A declination of insurance coverage;
- 2607 (ii) A termination of insurance coverage;
- 2608 (iii) Failure of an agent to apply for insurance coverage with a specific insurance
- 2609 institution which the agent represents and which is requested by an applicant;
- 2610 (iv) In the case of property or casualty insurance coverage:
- 2611 (I) Placement by an insurance institution or agent of a risk with a residual market
- 2612 mechanism or an unauthorized insurer; or
- 2613 (II) The charging of a higher rate on the basis of information which differs from
- 2614 that which the applicant or policyholder furnished;
- 2615 (v) In the case of a life, health, or disability insurance coverage, an offer to insure at
- 2616 higher than standard rates; or
- 2617 (B) Notwithstanding subparagraph (A) of this paragraph, the following actions shall
- 2618 not be considered adverse underwriting decisions but the insurance institution or agent
- 2619 responsible for their occurrence shall nevertheless provide the applicant or policyholder
- 2620 with the specific reason or reasons for their occurrence:
- 2621 (i) The termination of an individual policy form on a class or state-wide basis;

- 2622 (ii) A declination of insurance coverage solely because such coverage is not available
 2623 on a class or state-wide basis;
- 2624 (iii) The rescission of a policy; or
- 2625 (iv) The accommodation of an insured by an agent who places insurance for such
 2626 insured with any insurer, residual market mechanism, or unauthorized insurer which
 2627 is satisfactory to such insured when such insured has been canceled, nonrenewed,
 2628 declined, or otherwise unable to obtain coverage for any reason.
- 2629 (2) 'Affiliate' or 'affiliated' means a person that directly, or indirectly through one or more
 2630 intermediaries, controls, is controlled by, or is under common control with another
 2631 person.
- 2632 (3) 'Agent' means any agent, broker, subagent, counselor, adjustor, solicitor, or service
 2633 representative as defined in Code Sections 33-23-1 and 33-23-40.
- 2634 (4) 'Applicant' means any person who seeks to contract for insurance coverage other than
 2635 a person seeking insurance coverage that is not individually underwritten.
- 2636 ~~(5) 'Commissioner' means the Commissioner of Insurance of the State of Georgia.~~
- 2637 ~~(6)~~(5) 'Consumer report' means any written, oral, or other communication of information
 2638 bearing on a natural person's credit worthiness, credit standing, credit capacity, character,
 2639 general reputation, personal characteristics, or mode of living which is used or expected
 2640 to be used in connection with an insurance transaction.
- 2641 ~~(7)~~(6) 'Consumer reporting agency' means any person who:
- 2642 (A) Regularly engages, in whole or in part, in the practice of assembling or preparing
 2643 consumer reports for a monetary fee;
- 2644 (B) Obtains information primarily from sources other than insurance institutions; and
- 2645 (C) Furnishes consumer reports to other persons.
- 2646 ~~(8)~~(7) 'Control' including the term 'controlled by' or 'under common control with,' means
 2647 the possession, direct or indirect, of the power to direct or cause the direction of the
 2648 management and policies of a person, whether through the ownership of voting securities,
 2649 by contract other than a commercial contract for goods or nonmanagement services, or
 2650 otherwise, unless the power is the result of an official position with or corporate office
 2651 held by the person.
- 2652 ~~(9)~~(8) 'Declination of insurance coverage' means a denial, in whole or in part, by an
 2653 insurance institution or agent of requested insurance coverage.
- 2654 ~~(10)~~(9) 'Individual' means any natural person who:
- 2655 (A) In the case of property or casualty insurance, is a past, present, or proposed named
 2656 insured or certificate holder;
- 2657 (B) In the case of life, health, or disability insurance, is a past, present, or proposed
 2658 principal insured or certificate holder;

- 2659 (C) Is a past, present, or proposed policyowner;
- 2660 (D) Is a past or present applicant;
- 2661 (E) Is a past or present claimant; or
- 2662 (F) Derived, derives, or is proposed to derive insurance coverage under an insurance
- 2663 policy or certificate subject to this chapter.
- 2664 ~~(11)~~(10) 'Institutional source' means any person or governmental entity that provides
- 2665 information about an individual to an agent, insurance institution, or insurance-support
- 2666 organization other than:
- 2667 (A) An agent;
- 2668 (B) The individual who is the subject of the information; or
- 2669 (C) A natural person acting in a personal capacity rather than in a business or
- 2670 professional capacity.
- 2671 ~~(12)~~(11) 'Insurance institution' means any corporation, association, partnership,
- 2672 reciprocal exchange, interinsurer, Lloyd's insurer, fraternal benefit society, or other
- 2673 person engaged in the business of insurance, including ~~medical service corporations,~~
- 2674 ~~hospital service corporations,~~ health care plans; and health maintenance organizations as
- 2675 defined in Chapters ~~18, 19,~~ 20; and 21. 'Insurance institution' shall not include agents or
- 2676 insurance-support organizations.
- 2677 ~~(13)~~(12) 'Insurance-support organization' means:
- 2678 (A) Any person who regularly engages, in whole or in part, in the practice of
- 2679 assembling or collecting information about natural persons for the primary purpose of
- 2680 providing the information to an insurance institution or agent for insurance transactions,
- 2681 including:
- 2682 (i) The furnishing of consumer reports or investigative consumer reports to an
- 2683 insurance institution or agent for use in connection with an insurance transaction; or
- 2684 (ii) The collection of personal information from insurance institutions, agents, or
- 2685 other insurance-support organizations for the purpose of detecting or preventing
- 2686 fraud, material misrepresentation, or material nondisclosure in connection with
- 2687 insurance underwriting or insurance claim activity.
- 2688 (B) Notwithstanding subparagraph (A) of this paragraph, the following persons shall
- 2689 not be considered 'insurance-support organizations' for purposes of this chapter: agents,
- 2690 government institutions, insurance institutions, medical care institutions, and medical
- 2691 professionals.
- 2692 ~~(14)~~(13) 'Insurance transaction' means any transaction involving insurance primarily for
- 2693 personal, family, or household needs rather than business or professional needs which
- 2694 entails:

- 2695 (A) The individual determination of an individual's eligibility for an insurance
 2696 coverage, benefit, or payment; or
- 2697 (B) The servicing of an insurance application, policy, contract, or certificate.
- 2698 ~~(15)~~(14) 'Investigative consumer report' means a consumer report or portion thereof in
 2699 which information about a natural person's character, general reputation, personal
 2700 characteristics, or mode of living is obtained through personal interviews with the
 2701 person's neighbors, friends, associates, acquaintances, or others who may have knowledge
 2702 concerning such items of information.
- 2703 ~~(16)~~(15) 'Medical-care institution' means any facility or institution that is licensed to
 2704 provide health care services to natural persons, including but not limited to: health
 2705 maintenance organizations, home health agencies, hospitals, medical clinics, public
 2706 health agencies, rehabilitation agencies, and skilled nursing facilities.
- 2707 ~~(17)~~(16) 'Medical professional' means any person licensed or certified to provide health
 2708 care services to natural persons, including but not limited to, a chiropractor, clinical
 2709 dietitian, clinical psychologist, dentist, nurse, occupational therapist, optometrist,
 2710 pharmacist, physical therapist, physician, podiatrist, psychiatric social worker, or speech
 2711 therapist.
- 2712 ~~(18)~~(17) 'Medical-record information' means personal information which:
- 2713 (A) Relates to an individual's physical or mental condition, medical history, or medical
 2714 treatment; and
- 2715 (B) Is obtained from a medical professional or medical-care institution, from the
 2716 individual, or from the individual's spouse, parent, or legal guardian.
- 2717 ~~(19)~~(18) 'Person' means any natural person, corporation, association, partnership, or other
 2718 legal entity.
- 2719 ~~(20)~~(19) 'Personal information' means any individually identifiable information gathered
 2720 in connection with an insurance transaction from which judgments can be made about an
 2721 individual's character, habits, avocations, finances, occupation, general reputation, credit,
 2722 health, or any other personal characteristics. 'Personal information' does not include an
 2723 individual's name, address, and age when no other underwriting information is gathered
 2724 on that individual nor does it include any 'privileged information.'
- 2725 ~~(21)~~(20) 'Policyholder' means any person who:
- 2726 (A) In the case of individual property or casualty insurance, is a present named insured;
 2727 (B) In the case of individual life, health, or disability insurance, is a present
 2728 policyholder; or
- 2729 (C) In the case of group insurance which is individually underwritten, is a present
 2730 group certificate holder.

2731 ~~(22)~~(21) 'Pretext interview' means an interview whereby a person, in an attempt to obtain
 2732 information about a natural person, performs one or more of the following acts:

- 2733 (A) Pretends to be someone he or she is not;
 2734 (B) Pretends to represent a person he or she is not in fact representing;
 2735 (C) Misrepresents the true purpose of the interview; or
 2736 (D) Refuses to identify himself or herself upon request.

2737 ~~(23)~~(22) 'Privileged information' means any individually identifiable information that:

2738 (A) Relates to a claim for insurance benefits or a civil or criminal proceeding involving
 2739 an individual; and

2740 (B) Is collected in connection with or in reasonable anticipation of a claim for
 2741 insurance benefits or civil or criminal proceeding involving an individual;

2742 provided, however, that information otherwise meeting the requirements of this paragraph
 2743 shall nevertheless be considered 'personal information' under this chapter if it is disclosed
 2744 in violation of Code Section 33-39-14.

2745 ~~(24)~~(23) 'Residual market mechanism' means an association, organization, or other entity
 2746 defined or described in Code Sections 33-9-7, 33-9-8, and 33-9-10.

2747 ~~(25)~~(24) 'Termination of insurance coverage' or 'termination of an insurance policy'
 2748 means either a cancellation or nonrenewal of an insurance policy, in whole or in part, for
 2749 any reason other than the failure to pay a premium as required by the policy.

2750 ~~(26)~~(25) 'Unauthorized insurer' means an insurance institution that has not been granted
 2751 a certificate of authority by the Commissioner to transact the business of insurance in this
 2752 state."

2753 **SECTION 147.**

2754 All laws and parts of laws in conflict with this Act are repealed.