

SB 699 STAFF MEASURE SUMMARY

House Committee On Health Care

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Meeting Dates: 5/11

WHAT THE MEASURE DOES:

Prohibits grandfathered health plan from imposing preexisting condition exclusion. Takes effect on 91st day following adjournment sine die.

House Vote: *Passed. Ayes, 29; Nays, 1 (Heard)*

REVENUE: *No revenue impact*

FISCAL: *No fiscal impact*

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

A grandfathered health plan is one introduced prior to the passage of the federal Affordable Care Act (ACA) in March 2010. Grandfathered health plans are exempt from certain requirements of the ACA and keep this status as long as terms do not substantially change. However, grandfathered health plans must follow certain consumer protection provisions of the ACA, including summary of benefit and coverage notification requirements and prohibitions on lifetime benefit limits. Prior to the ACA, many health plans included provisions that placed limits or excluded benefits for a period of time due to a medical condition that the policyholder had prior to enrolling in the health plan.

Senate Bill 699 prohibits grandfathered health benefit plans from imposing preexisting condition exclusions.