

108TH CONGRESS
1ST SESSION

H. R. 3600

To amend the Public Health Service Act to require health insurance issuers to credit toward an annual deductible in case of subsequent issuance of similar health insurance policy by the same issuer to the same person.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 21, 2003

Mr. ENGEL introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To amend the Public Health Service Act to require health insurance issuers to credit toward an annual deductible in case of subsequent issuance of similar health insurance policy by the same issuer to the same person.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Health Deductible In-
5 surance Fairness Act of 2003”.

6 **SEC. 2. CREDITING TOWARD ANNUAL DEDUCTIBLE IN CASE**
7 **OF SUBSEQUENT ISSUANCE BY SAME ISSUER.**

8 (a) GROUP HEALTH PLANS.—

1 (1) PUBLIC HEALTH SERVICE ACT AMEND-
2 MENTS.—(A) Subpart 2 of part A of title XXVII of
3 the Public Health Service Act is amended by adding
4 at the end the following new section:

5 **“SEC. 2707. STANDARD RELATING TO CREDITING TOWARD**
6 **ANNUAL DEDUCTIBLE IN CASE OF SUBSE-**
7 **QUENT ISSUANCE BY SAME ISSUER.**

8 “(a) REQUIREMENT.—If a health insurance issuer of-
9 fering group health insurance coverage imposes an annual
10 deductible under such coverage with respect to an indi-
11 vidual and the individual changes the coverage obtained
12 (including a change from family to individual coverage)
13 from such issuer in a year to other health insurance cov-
14 erage that also imposes an annual deductible, the issuer
15 shall credit toward the deductible for the latter coverage
16 amounts that were credited toward the deductible under
17 the former coverage during the same year.

18 “(b) NOTICE.—A group health plan under this part
19 shall comply with the notice requirement under section
20 714(b) of the Employee Retirement Income Security Act
21 of 1974 with respect to the requirements of this section
22 as if such section applied to such plan.”.

23 (b) INDIVIDUAL HEALTH INSURANCE.—Part B of
24 title XXVII of of such Act is amended by inserting after
25 section 2752 the following new section:

1 **“SEC. 2753. STANDARD RELATING TO CREDITING TOWARD**
2 **ANNUAL DEDUCTIBLE IN CASE OF SUBSE-**
3 **QUENT ISSUANCE BY SAME ISSUER.**

4 “(a) IN GENERAL.—The provisions of section
5 2707(a) shall apply to health insurance coverage offered
6 by a health insurance issuer in the individual market in
7 the same manner as they apply to health insurance cov-
8 erage offered by a health insurance issuer in connection
9 with a group health plan in the small or large group mar-
10 ket.

11 “(b) NOTICE.—A health insurance issuer under this
12 part shall comply with the notice requirement under sec-
13 tion 714(b) of the Employee Retirement Income Security
14 Act of 1974 with respect to the requirements referred to
15 in subsection (a) as if such section applied to such issuer
16 and such issuer were a group health plan.”.

17 (c) EFFECTIVE DATES.—

18 (1) GROUP HEALTH INSURANCE COVERAGE.—
19 Subject to paragraph (3), the amendments made by
20 subsection (a) apply with respect to group health
21 plans for plan years beginning on or after a date
22 specified by the Secretary of Health and Human
23 Services that is not later than January 1, 2005.

24 (2) INDIVIDUAL HEALTH INSURANCE COV-
25 ERAGE.—The amendment made by subsection (b)
26 shall apply with respect to health insurance coverage

- 1 offered, sold, issued, renewed, in effect, or operated
- 2 in the individual market on or after such date.

