

By: Eltife

S.B. No. 784

A BILL TO BE ENTITLED

AN ACT

1
2 relating to collection and use of certain information reported to
3 and by the Texas Department of Insurance and certain approval
4 authority and hearings held in connection with reported
5 information.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

7 ARTICLE 1. AMENDMENTS AFFECTING REPORTING AND RELATED HEARINGS

8 SECTION 1.01. Sections 2053.056(a) and (b), Insurance Code,
9 are amended to read as follows:

10 (a) The commissioner may [~~shall~~] conduct a public hearing
11 each biennium[~~, beginning not later than December 1, 2008,~~] to
12 review rates to be charged for workers' compensation insurance
13 written in this state. A public hearing under this section is not a
14 contested case as defined by Section 2001.003, Government Code.

15 (b) Not later than the 30th day before the date of a [the]
16 public hearing conducted [~~required~~] under Subsection (a), each
17 insurance company subject to this subtitle [~~and Article 5.66~~] shall
18 file the insurance company's rates, supporting information, and
19 supplementary rating information with the commissioner.

20 SECTION 1.02. Section 2251.008, Insurance Code, is amended
21 to read as follows:

22 Sec. 2251.008. ANNUAL [~~QUARTERLY~~] REPORT OF INSURER;
23 LEGISLATIVE REPORT. (a) The commissioner shall require each
24 insurer subject to this subchapter to annually [~~quarterly~~] file

1 with the commissioner information relating to changes in losses,
2 premiums, and market share since January 1, 1993. The commissioner
3 may require an insurer subject to this subchapter to report to the
4 commissioner, in the form and in the time required by the
5 commissioner, any other information the commissioner determines is
6 necessary to comply with this section.

7 (b) Annually [~~Quarterly~~], the commissioner shall report to
8 the governor, the lieutenant governor, the speaker of the house of
9 representatives, the legislature, and the public regarding:

10 (1) the information provided to the commissioner,
11 other than information made confidential by law, in the insurers'
12 reports under Subsection (a); and

13 (2) market conduct, especially rates and consumer
14 complaints.

15 (c) The report required by this section must cover a
16 calendar year [~~quarter~~] and:

17 (1) for each insurer that writes a line of insurance
18 subject to this subchapter, must state the insurer's:

19 (A) market share;

20 (B) profits and losses;

21 (C) average loss ratio; and

22 (D) whether the insurer submitted a rate filing
23 during the year [~~quarter~~] covered in the report; and

24 (2) for each rate filing submitted under Subdivision
25 (1)(D), must indicate any significant impact on policyholders, the
26 overall rate change from the rate previously used by the insurer
27 stated as a percentage, and any rate changes for the previous 12,

1 24, and 36 months.

2 (d) Except as provided by Subsection (e), the annual
3 [~~quarterly~~] report required by this section must be made available
4 to the governor, lieutenant governor, speaker of the house of
5 representatives, legislature, and public not later than the 90th
6 day after the last day of the calendar year [~~quarter~~] covered by the
7 report.

8 (e) If the commissioner determines that it is not feasible
9 to provide the report required by this section within the period
10 specified by Subsection (d) for all lines of insurance subject to
11 this subchapter, the department:

12 (1) shall make the annual [~~quarterly~~] report, as
13 applicable to lines of residential property insurance and personal
14 automobile insurance, available within the period specified by
15 Subsection (d); and

16 (2) may delay publication of the annual [~~quarterly~~]
17 report as it relates to other lines of insurance subject to this
18 subchapter until a date specified by the commissioner.

19 SECTION 1.03. Section 2251.101(b), Insurance Code, is
20 amended to read as follows:

21 (b) The commissioner by rule shall:

22 (1) determine the information required to be included
23 in the filing, including:

24 (A) categories of supporting information and
25 supplementary rating information;

26 (B) statistics or other information to support
27 the rates to be used by the insurer;

1 (C) [~~including~~] information necessary to
2 evidence that the computation of the rate does not include
3 disallowed expenses for personal lines; and

4 (D) [~~(C)~~] information concerning policy fees,
5 service fees, and other fees that are charged or collected by the
6 insurer under Section 550.001 or 4005.003; and

7 (2) prescribe the process through which the department
8 requests supplementary rating information and supporting
9 information under this section, including:

10 (A) the number of times the department may make a
11 request for information; and

12 (B) the types of information the department may
13 request when reviewing a rate filing.

14 ARTICLE 2. CONFORMING AMENDMENTS

15 SECTION 2.01. Sections 1501.109(a), (b), and (c), Insurance
16 Code, are amended to read as follows:

17 (a) A small or large employer health benefit plan issuer may
18 elect to refuse to renew all small or large employer health benefit
19 plans delivered or issued for delivery by the issuer in this state
20 or in a geographic service area [~~approved under Section 1501.101~~].
21 The issuer shall notify:

22 (1) the commissioner of the election not later than
23 the 180th day before the date coverage under the first plan
24 terminates under this subsection; and

25 (2) each affected covered small or large employer not
26 later than the 180th day before the date coverage terminates for
27 that employer.

1 (b) A small employer health benefit plan issuer that elects
2 under this section to refuse to renew all small employer health
3 benefit plans in this state or in a ~~[an approved]~~ geographic service
4 area may not write a new small employer health benefit plan in this
5 state or in the geographic service area, as applicable, before the
6 fifth anniversary of the date notice is provided to the
7 commissioner under Subsection (a).

8 (c) A large employer health benefit plan issuer that elects
9 under this section to refuse to renew all large employer health
10 benefit plans in this state or in a ~~[an approved]~~ geographic service
11 area may not write a new large employer health benefit plan in this
12 state or in the geographic service area, as applicable, before the
13 fifth anniversary of the date notice is provided to the
14 commissioner under Subsection (a).

15 SECTION 2.02. Section [2206.002](#)(b), Insurance Code, is
16 amended to read as follows:

17 (b) The pool~~+~~
18 ~~[(1) shall collect the necessary information and file~~
19 ~~with the department the reports required by Subchapter D, Chapter~~
20 ~~38, and~~
21 ~~[(2)]~~ is subject to Chapter 541 and Section [543.001](#).

22 SECTION 2.03. Section [2207.002](#)(b), Insurance Code, is
23 amended to read as follows:

24 (b) A pool~~+~~
25 ~~[(1) shall collect the necessary information and file~~
26 ~~with the department the reports required by Subchapter D, Chapter~~
27 ~~38, and~~

1 Act, and the repeal by this Act of Subchapter D, Chapter 38,
2 Insurance Code, apply only to a claim closed on or after January 1,
3 2016. A claim closed before January 1, 2016, is governed by the law
4 as it existed immediately before the effective date of this Act, and
5 that law is continued in effect for that purpose.

6 (b) Section [2251.008](#), Insurance Code, as amended by this
7 Act, applies with respect to reporting by insurers to, and
8 reporting to the legislature by, the commissioner of insurance on
9 or after January 1, 2016. Reporting by insurers and the
10 commissioner before that date is governed by the law as it existed
11 immediately before the effective date of this Act, and that law is
12 continued in effect for that purpose.

13 SECTION 4.02. This Act takes effect September 1, 2015.