

SENATE NO. 562

AN ACT RELATIVE TO PROMOTING A TRANSPARENT, FAIR AND EQUITABLE PRICING STRUCTURE IN THE INSURANCE INDUSTRY

*Be it enacted by the Senate and House of Representatives in General Court assembled,
And by the authority of the same, as follows:*

1 SECTION 1. Chapter 26 of the General Laws is hereby amended by inserting after section 8J

2 the following four new sections:

3 Section 8K. As used in this section and in sections 8L and 8N, an insurer shall be defined as a

4 carrier authorized to transact accident and health insurance under chapter 175, a nonprofit

5 hospital service corporation licensed under chapter 176A, a nonprofit medical service

6 corporation licensed under chapter 176B, a dental service corporation organized under chapter

7 176E, an optometric service corporation organized under chapter 176F and a health

8 maintenance organization licensed under chapter 176G.

9 Section 8L. Notwithstanding any general or special law to the contrary, all insurers marketing

10 small group or large group plans in the Commonwealth shall annually submit to the division of

11 insurance on or before April 1 the following: current average individual and family plan

12 premiums for the insurers' most commonly sold plan for groups of 1 to 5 employees, 6 to 10

13 employees, 11 to 25 employees, 26 to 50 employees, 51 to 100 employees, 101 to 500

14 employees, 501 to 1000 employees, 1001 to 2500 employees, 2501 to 5000 employees and 5001
15 employees and above. Public employer plans shall be similarly aggregated and reported
16 separately. All reports shall include plan design summaries, including average benefits and co-
17 pays.

18 Section 8M. The division of insurance shall on or before April 1 annually compile through
19 confidential surveys, division filings and other means, average individual and family plan costs
20 for ERISA exempt self-insured health plans operating in the Commonwealth using the most
21 commonly offered plan design.

22 Section 8N. On or before July 1, the division of insurance and the division of health care
23 finance and policy shall annually make available the Massachusetts Health Insurance
24 Transparency Report for consumer and employer use. Said report shall be compiled using data
25 collected under the authority of this act. Average premium cost results from section 8L shall be
26 published by insurer, employer size category and by the most common plan design. Results
27 from section 8M shall be reported in aggregate form.