107TH CONGRESS
2D SESSION

H. R. 5682

To amend the Public Health Service Act to ensure the guaranteed renewability of individual health insurance coverage regardless of the health status-related factors of an enrollee.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 16, 2002

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

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A BILL

To amend the Public Health Service Act to ensure the guaranteed renewability of individual health insurance coverage regardless of the health status-related factors of an enrollee.

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 Insurance Fair-

5 ness Act".

SEC. 2. GUARANTEED RENEWABILITY OF INDIVIDUAL HEALTH INSURANCE COVERAGE.

Section 2742 of the Public Health Service Act (42 U.S.C. 300gg–42) is amended by adding at the end the following:

"(f) PROHIBITION ON CERTAIN RECLASSIFICATIONS AND PREMIUM INCREASES.—

"(1) IN GENERAL.—For purposes of this section, a health insurance issuer that provides individual health insurance coverage or health insurance coverage through an association (including bona fide association) to an individual shall be deemed to have failed to renew or continue in force coverage with respect to such individual in violation of this section if such issuer—

"(A) moves or reclassifies the individual from the class such individual is in at the time of issue of the contract based on a health status-related factor of the individual; or

"(B) increases the premiums assessed the individual for such coverage based on a health status-related factor of the individual.

"(2) RULE OF CONSTRUCTION.—Nothing in paragraph (1) shall be construed to prohibit a health insurance issuer from—

1   "(A) terminating or discontinuing coverage

2   or a class of coverage in accordance with sub-

3   sections (b) and (c); or

4   "(B) raising premium rates for all policy

5   holders based on claims experience.".

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