

**WEST VIRGINIA
SECRETARY OF STATE
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ADMINISTRATIVE LAW DIVISION

Form #6

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2007 APR -6 PM 2:00
OFFICE WEST VIRGINIA
SECRETARY OF STATE

**NOTICE OF FINAL FILING AND ADOPTION OF A LEGISLATIVE RULE
AUTHORIZED BY THE WEST VIRGINIA LEGISLATURE.**

AGENCY: Offices of the Insurance Commissioner TITLE NUMBER: 114

AMENDMENT TO AN EXISTING RULE: YES _____ NO X

IF YES, SERIES NUMBER OF RULE BEING AMENDED: _____

TITLE OF RULE BEING AMENDED: _____

IF NO, SERIES NUMBER OF RULE BEING PROPOSED: 78

TITLE OF RULE BEING PROPOSED: Individual Limited Health Benefits Plans

THE ABOVE RULE HAS BEEN AUTHORIZED BY THE WEST VIRGINIA LEGISLATURE.

AUTHORIZATION IS CITED IN (house or senate bill number) H.B. 2590

SECTION 64-7-2(b), PASSED ON March 8, 2007

THIS RULE IS FILED WITH THE SECRETARY OF STATE. THIS RULE BECOMES EFFECTIVE ON THE
FOLLOWING DATE: April 6, 2007



James Robert Alsop
Cabinet Secretary
West Virginia Department of Revenue

PROMULGATION HISTORY

WEST VIRGINIA INSURANCE COMMISSION

INDIVIDUAL LIMITED HEALTH BENEFITS PLANS

TITLE 114, SERIES 78

6/05/06	Notice of Comment Period Filed
7/05/06	Last Date Comments Were Received
7/27/06	Agency Approved Legislative Rule Filed
12/10/06	Date Reviewed by Legislative Rule-Making Review Committee
4/06/07	Filing Date
4/06/07	Effective Date

114CSR78

**LEGISLATIVE RULE
INSURANCE COMMISSIONER**

**SERIES 78
INDIVIDUAL LIMITED HEALTH BENEFITS PLANS**

Section

- 114-78-1. General.
- 114-78-2. Applicability.
- 114-78-3. Rate Filing.
- 114-78-4. Form Filing.
- 114-78-5. Eligibility.
- 114-78-6. Benefits.
- 114-78-7. Penalties and Enforcement.

114CSR78

FILED

LEGISLATIVE RULE
INSURANCE COMMISSIONER

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SERIES 78

OFFICE WEST VIRGINIA
SECRETARY OF STATE

INDIVIDUAL LIMITED HEALTH BENEFITS PLANS

§114-78-1. General.

1.1. Scope. -- The purpose of this legislative rule is to establish requirements for information and data to be provided with the filing of rates and rate adjustments and forms for individual limited health benefit plans, to establish minimum benefits for such plans and to define eligibility for individuals to obtain coverage under the plans.

1.2. Authority. -- W. Va. Code §§33-2-10, 33-15D-2(c) and 33-15D-8.

1.3. Filing Date. -- April 6, 2007.

1.4. Effective Date. -- April 6, 2007.

§114-78-2. Applicability.

This rule applies to all individual limited health benefit plans issued pursuant to article fifteen-d, chapter thirty-three of the West Virginia Code and to all insurers offering such plans as of the effective date of this rule.

§114-78-3. Rate Filing.

All of the provisions of 114CSR26, Accident and Sickness Rate Filing, apply to individual limited health benefit plans except 114CSR26-1.

§114-78-4. Form Filing.

All of the provisions of 114CSR67, Rate and Form Filing Abstracts, apply to individual limited health benefits plans.

§114-78-5. Eligibility.

5.1. An insurer issuing limited health benefit individual health insurance policies shall, as part of the application process require the applicant to provide evidence of eligibility in a form satisfactory to the Insurance Commissioner and the insurer shall retain the evidence of eligibility as long as the policy remains in effect.

5.2 An individual limited health benefits plan may only be offered to an adult between the ages of eighteen and sixty-four, inclusive, who:

a. Has not had a health benefit plan covering him or her for at least the prior twelve consecutive months: Provided, That such a plan may not be offered to an employee of an employer that offers a health benefits plan to its employees unless that employee does not qualify for coverage under such employer plan; or

b. Has lost coverage due to a qualifying event. A qualifying event includes loss of coverage due to: (i) emancipation and resultant loss of coverage under a parent's or guardian's plan; (ii) divorce and loss of coverage under the former spouse's plan; (iii) termination of employment and resultant loss of coverage under an employer group plan, except for loss of employment for gross misconduct; or (iv) involuntary termination of coverage under a group health benefit plan, except for termination due to nonpayment of premiums or fraud by the insured.

5.3. Every individual limited health benefits plan may limit eligibility on the basis of health status. Except as provided in section three, article fifteen-d, chapter thirty-three of the Code of West Virginia, an individual who has been treated for a health condition in the prior twelve months may have that condition excluded from coverage for the first twelve months of the policy term.

§114-78-6. Benefits.

6.1. Every policy issued pursuant to this rule must have an annual maximum benefit established by order of the Commissioner.

6.2. Every policy issued pursuant to this rule must provide benefits for at least the following services:

- a. Emergency care.
- b. Hospital benefits, including physician services while in the hospital.
- c. Outpatient benefits, including lab and diagnostics.
- d. Preventive care.
- e. Primary care.

6.3. Every policy that does not cover prescription drug benefits as part of its basic coverage must offer optional prescription drug benefits coverage.

6.4. Before approving any plan or policy under this rule, the Commissioner must find that the plan or policy furthers the legislative purpose of W. Va. Code §33-15D-1, *et seq.*, by

providing substantial preventative care and primary care benefits. This subsection does not apply to any plan or policy approved by the Commissioner prior to the effective date of this rule unless and until the provider of the plan or policy makes a subsequent filing with regard to such plan or policy.

§114-78-7. Penalties and Enforcement.

Insurers issuing policies pursuant to this rule are subject to the examination and investigation and enforcement powers of the Insurance Commissioner set forth in article two, chapter thirty-three of the West Virginia Code. Insurers issuing policies under this rule are subject to the provisions of article eleven, chapter thirty-three of the West Virginia Code regulating unfair trade practices.