HB266

204681-1

By Representatives Stringer, Boyd, Brown (C), Isbell, Rafferty, Drummond, Forte, Warren, Sullivan, Whorton and Oliver

RFD: Insurance

First Read: 18-FEB-20
SYNOPSIS: Under existing law, health benefit plans are prohibited from using genetic testing to determine if an individual has a greater likelihood of being diagnosed with cancer.

This bill would prohibit health benefit plans, life insurers, and long term care insurers from using an individual's genetic information to deny him or her insurance or to establish differentials in premium rates.

This bill would also prohibit health benefit plans, life insurers, and long term care insurers from requiring or soliciting genetic information, using genetic test results, or considering an individual's decisions or actions relating to genetic testing in any manner for insurance purposes.

A BILL
TO BE ENTITLED
AN ACT
Relating to insurance; to amend Section 27-53-1, Code of Alabama 1975, and to add Section 27-53-2.1 to the Code of Alabama 1975, to prohibit the use of genetic testing for certain insurance eligibility determinations or premium differentials.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Section 27-53-1, Code of Alabama 1975, is amended to read as follows:

"§27-53-1.

"As used in this chapter, the following terms shall have the following meanings:

"(1) GENETIC CHARACTERISTICS. A scientifically or medically identifiable gene or chromosome, or alteration thereof, that is known to be a cause of a disease or disorder, or determined to be associated with a statistically increased risk of development of a disease or disorder.

"(2) GENETIC INFORMATION. Information derived from genetic testing to determine the presence or absence of variation or mutations, including carrier status, in an individual's genetic material or genes that are scientifically or medically believed to cause a disease, disorder, or syndrome, or are associated with statistically increased risk of developing a disease, disorder, or syndrome, which is asymptomatic at the time of testing. Such testing does not include routine physical examination or chemical, blood, or
urine analysis, unless conducted purposefully to obtain genetic information, or questions regarding family history.

"(3) GENETIC TEST. A pre-symptomatic laboratory test which is generally accepted in the scientific and medical communities for the determination of the presence or absence of the genetic characteristics that cause or are associated with risk of a disease or disorder.

"(4) HEALTH BENEFIT PLAN. A health insurance policy, including a self-insured health plan, that covers hospital, medical, or surgical expenses, health maintenance organizations, preferred provider organizations, medical service organizations, physician-hospital organizations, or any other person, firm, corporation, joint venture, or other similar business entity that pays for, purchases, or furnishes health care services to patients, insureds, or beneficiaries in this state. For the purpose of this chapter, a health benefit plan located or domiciled outside of the State of Alabama is deemed to be subject to the provisions of this chapter if it receives, processes, adjudicates, pays, or denies claims for health care services submitted by or on behalf of patients, insureds, or beneficiaries who reside in the State of Alabama or who receive health care services in the State of Alabama. The term includes, but is not limited to, entities created pursuant to Article 6 of Chapter 4 of Title 10.

"(5) LIFE INSURER. An insurer licensed under the laws of this state and engaged in the business of issuing life
insurance contracts, including contracts of combined life and
health and accident insurance in the event of an insured's
disability or death.

"(6) LONG-TERM CARE INSURER. An insurer licensed
under the laws of this state and engaged in the business of
issuing long term care insurance policies for one or more
necessary or medically necessary diagnostic, preventive,
therapeutic, curing, treating, mitigating, rehabilitative,
maintenance, or personal care services provided in a setting
other than an acute care unit of a hospital."

Section 2. Section 27-53-2.1 is added to the Code of
Alabama 1975, to read as follows:

§27-53-2.1.

(a) In the absence of a diagnosis of a condition
related to genetic information, health benefit plans, life
insurers, and long-term care insurers may not cancel, limit,
or deny coverage or establish differentials in premium rates,
based on the genetic information.

(b) Health benefit plans, life insurers, and
long-term care insurers may not require or solicit genetic
information, use genetic test results, or consider an
individual's decisions or actions relating to genetic testing
in any manner for any insurance purpose.

(c) This section does not apply to the underwriting
or issuance of an accident-only policy, hospital or fixed
indemnity or fixed indemnity policy, dental policy or vision
policy or any other actions of an insurer directly related to
an accident-only policy, hospital or fixed indemnity, dental
policy, or vision policy.

(d) This section applies to polices entered into or
renewed on or after January 1, 2021.

Section 3. This act shall become effective on the
first day of the third month following its passage and
approval by the Governor, or its otherwise becoming law.