

AN ACT

D.C. ACT 22-575

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

JANUARY 16, 2019

To amend, on a temporary basis, the Health Insurance Portability and Accountability Federal Law Conformity and No-Fault Motor Vehicle Insurance Act of 1998 to revise definitions of the terms “bona fide association”, “employer”, and “group health plan”, to apply the requirements of the act to multiple employer welfare arrangements, to expand the rulemaking authority of the Commissioner of the Department of Insurance, Securities, and Banking, and to impose requirements on multiple employer welfare arrangements and short-term, limited-duration health insurance plans; to amend the Reasonable Health Insurance Ratemaking and Health Care Reform Act of 2010 to apply its requirements for small employers to certain multiple employer welfare arrangements; and to amend the Federal Health Reform Implementation and Omnibus Amendment Act of 2014 to specify that the requirements of the federal Patient Protection and Affordable Care Act and the federal Public Health Service Act are incorporated by reference as such requirements existed on December 15, 2017, and to apply the individual and small group requirements of those federal health care acts to multiple employer welfare arrangements.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Health Insurance Marketplace Improvement Temporary Amendment Act of 2018”.

Sec. 2. The Health Insurance Portability and Accountability Federal Law Conformity and No-Fault Motor Vehicle Insurance Act of 1998, effective April 13, 1999 (D.C. Law 12-209; D.C. Official Code § 31-3301.01 *et. seq.*), is amended as follows:

(a) Section 101 (D.C. Official Code § 31-3301.01) is amended as follows:

(1) Paragraph (3) is amended as follows:

(A) Subparagraph (E) is amended by striking the phrase “; and” and inserting a semicolon in its place.

(B) New subparagraphs (E-1) and (E-2) are added to read as follows:

“(E-1) Is domiciled and has its principal offices within the District;

“(E-2) Does not expand its membership based on geography; and”.

(C) Subparagraph (F) is amended by striking the phrase “under the laws of the District of Columbia” and inserting the phrase “by the Commissioner by rule” in its place.

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(2) Paragraph (12) is amended by striking the phrase “except that such term” and inserting the phrase “as such section and its implementing regulations were in effect on December 15, 2017, except that such term” in its place.

(3) Paragraph (19) is amended by striking the phrase “to the extent” and inserting the phrase “as such section and its implementing regulations were in effect on December 15, 2017, to the extent” in its place.

(b) A new section 206a is added to read as follows:

“Sec. 206a. Application to multiple employer welfare arrangements.

“The individual market requirements of this title shall apply to a health benefit plan offered by a multiple employer welfare arrangement, including an association or any other entity, if the plan covers an individual in the District who is not an employee or dependent of a participating employer.”.

(c) Section 207 (D.C. Official Code § 31-3302.07) is amended by adding a new subsection (b-1) to read as follows:

“(b-1) The Commissioner may adopt regulations to establish and administer such standards relating to the provisions of this act as may be necessary to improve access and affordability of health insurance in the District and to maintain the requirements of the Patient Protection and Affordable Care Act approved March 23, 2010 (124 Stat. 111; 42 U.S.C. § 18001, note).”.

(d) Section 301 (D.C. Official Code § 31-3303.01) is amended as follows:

(1) Designate the existing text as subsection (a).

(2) A new subsection (b) is added to read as follows:

“(b) Small group market requirements under this title shall apply to a health benefit plan offered by a multiple employer welfare arrangement including an association or any other entity, if the plan covers an employee of a small employer, as that term is defined in section 101(42), in the District.”.

(e) New sections 313a, 313b, 313c, and 313d are added to read as follows:

“Sec. 313a. Treatment of certain multiple employer welfare arrangements.

“The Commissioner may issue rules to create a grandfathered status with respect to any of the requirements of this act for multiple employer welfare arrangements that existed and operated in the District as of December 15, 2017, and comply with federal law and regulations applicable to multiple employer welfare arrangements as of December 15, 2017. The Commissioner may also establish by rulemaking additional requirements for multiple employer welfare arrangements granted grandfathered status.

“Sec. 313b. License requirement for non-District multiple employer welfare arrangements.

“No multiple employer welfare arrangement located outside of the District may conduct any business in the District, including the marketing, offering, or issuing of a health benefit plan to any individual or employer, unless licensed as an insurer, a hospital and medical services corporation, a fraternal benefit society, or a health maintenance organization.