



# OFFICE OF INSURANCE AND SAFETY FIRE COMMISSIONER

**RALPH T. HUDGENS**  
COMMISSIONER OF INSURANCE  
SAFETY FIRE COMMISSIONER  
INDUSTRIAL LOAN COMMISSIONER  
COMPTROLLER GENERAL

SEVENTH FLOOR, WEST TOWER  
FLOYD BUILDING  
2 MARTIN LUTHER KING, JR. DRIVE  
ATLANTA, GEORGIA 30334  
(404) 656-2056  
[www.oci.ga.gov](http://www.oci.ga.gov)

## BEFORE THE COMMISSIONER OF INSURANCE

## STATE OF GEORGIA

### NOTICE OF INTENT TO ADOPT RULE CHANGES AND NOTICE OF HEARINGS

Notice is hereby given pursuant to the Georgia Administrative Procedure Act, O.C.G.A. Sections 50-13-3, 50-13-4, 50-13-6, 50-13-21, and 33-2-9 of the following proposal by the Commissioner of Insurance to amend the Rules and Regulations of the Office of Commissioner of Insurance. The Rules and Regulations of the Office of Commissioner of Insurance are proposed to be amended by the following actions:

--Repeal Emergency Regulation Chapter 120-2-98-0.23 entitled "Review of Health Benefit Plan Rate Increases" and adopt Regulation Chapter 120-2-98 entitled "Review of Health Benefit Plan Rate Increases."

--Adopt Regulation Chapter 120-2-99, entitled "Sale of Individual Health Insurance Products Approved in Other States."

--Adopt Regulation Chapter 120-2-100, entitled "Limited Purpose Subsidiaries."

### **ADOPTION OF REGULATION CHAPTER 120-2-98**

Section 1003 of the Patient Protection and Affordable Care Act directs the Secretary of the Department of Health and Human Services ("HHS"), in conjunction with the states, to establish a process for the review of unreasonable health insurance rate increases. The federal regulations adopted by HHS at 45 C.F.R. Part 154 set forth criteria for an effective rate review program and provide that, on and after September 1, 2011, HHS will defer to a state review of certain health insurance rate filings only if that state has been deemed to have an effective rate review

program. HHS will assert the authority to review certain health insurance rate filings in states without an effective rate review program. Georgia has been deemed an effective rate review state subject to the adoption of the federal rate review criteria on or before September 1, 2011. As a result, on August 27, 2011, the Commissioner adopted Emergency Regulation Chapter 120-2-98-0.23 entitled "Review of Health Benefit Plan Rate Increases." The Commissioner finds that it is necessary to continue to preserve the Commissioner of Insurance's ability to review certain health insurance rates and preserve the public welfare as contemplated by O.C.G.A. § 33-9-1(a) and other applicable provisions of Title 33 cited herein. Therefore, the Commissioner proposes to repeal Emergency Regulation Chapter 120-2-98-0.23 entitled "Review of Health Benefit Plan Rate Increases" and adopt Regulation Chapter 120-2-98 entitled "Review of Health Benefit Plan Rate Increases."

### **ADOPTION OF REGULATION CHAPTER 120-2-99**

Article 3 of Chapter 29A of Title 33 directs the Commissioner to adopt implementing rules and regulations governing the filing, approval, and sale of individual health insurance products that have been approved for issuance in other states. Adoption of Regulation Chapter 120-2-99 "Sale of Individual Health Insurance Products Approved in Other States" is necessary to promulgate such rules and regulations.

### **ADOPTION OF REGULATION CHAPTER 120-2-100**

Article 5 of Chapter 14 of Title 33 directs the Commissioner to adopt rules and regulations governing the requirements for the establishment and operation of limited purpose subsidiary life insurance companies. Chapter 120-2-100 entitled "Limited Purpose Subsidiaries" is necessary to promulgate such rules and regulations.

The aforesaid proposals, which are being forwarded to the Attorney General for approval as to legality pursuant to O.C.G.A. Section 33-2-9, are now on file in the Administrative Procedure Division of the Office of Commissioner of Insurance, 916 West Tower, Floyd Building, Two Martin Luther King, Jr. Drive, Atlanta, Georgia 30334, and are hereby declared to be a public record as follows:

Interested persons may participate in the proposed rulemaking process by submitting their written comments to **Vince Wiegand, Administrative Procedure Division, Office of Commissioner of Insurance, 916 West Tower, Floyd Building, Two Martin Luther King, Jr. Drive, Atlanta, Georgia 30334. All comments must be received by the Administrative Procedure Division by 4:30 P.M. on Tuesday,**

**November 1, 2011.** Interested persons may also participate in the proposed rulemaking by submitting oral comments on Regulation Chapters 120-2-98, 120-2-99, and 120-2-100 at the hearings to be held **on Tuesday, November 8, 2011, in the Hearing Room of the Office of Commissioner of Insurance, Seventh Floor, West Tower, Floyd Building, Two Martin Luther King, Jr. Drive, Atlanta, Georgia 30334 at the following times.**

Regulation Chapter 120-2-100	9:00 a.m.
Regulation Chapter 120-2-98	10:00 a.m.
Regulation Chapter 120-2-99	11:00 a.m.

Oral presentations at the hearing will be limited to five (5) minutes per person in order to afford all interested persons an opportunity to be heard. If you have a physical impairment and require assistance or have any questions regarding this notice, please contact Vince Wiegand.

Based upon full consideration of all written and oral comments regarding the above matters, the Commissioner of Insurance may reject or adopt the proposed rules or may make changes to the proposed rules which may require another rulemaking hearing.

Given under my Hand and Official Seal this 30th day of September, 2011.

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RALPH T. HUDGENS  
COMMISSIONER OF INSURANCE  
STATE OF GEORGIA

Direct All Correspondence To:  
Vince Wiegand  
Administrative Procedure Division  
916 West Tower, Floyd Building  
2 Martin Luther King, Jr. Drive  
Atlanta, Georgia 30334  
Telephone Number (404) 651-6503