



General Assembly

Amendment

January Session, 2013

LCO No. 6107

SB0103106107SR0

Offered by:
SEN. KELLY, 21st Dist.

To: Subst. Senate Bill No. 1031 File No. 274 Cal. No. 225

**"AN ACT CONCERNING THE INSURANCE DEPARTMENT'S
AUTHORITY TO PROTECT CONSUMERS."**

1 Strike section 4 in its entirety and insert the following in lieu thereof:

2 "Sec. 4. (NEW) (*Effective January 1, 2014*) (a) No insurer, health care
3 center, fraternal benefit society, hospital service corporation, medical
4 service corporation or other entity delivering, issuing for delivery,
5 renewing, amending or continuing any individual or group health
6 insurance policy or health care plan in this state shall use a
7 discretionary clause to (1) override definitions and terms contained in
8 such policy or plan, or (2) deny a claim that is otherwise properly
9 payable under the terms of such policy or plan.

10 (b) As used in this section, "discretionary clause" means any
11 provision in an individual or group health insurance policy or health
12 care plan that (1) reserves discretion to the insurer, health care center,
13 fraternal benefit society, hospital service corporation, medical service
14 corporation or other entity delivering, issuing for delivery, renewing,
15 amending or continuing such policy or plan to interpret the terms of

16 such policy or plan, or (2) provides standards of interpretation or
17 review that are inconsistent with the laws of this state."