

## Session 122 - (2017-2018)

### H\*4657 (Rat #0259, Act #0219 of 2018) General Bill, By Sandifer and Spires

**Summary:** Insurance, Health Maintenance Organizations, penalties for violations of state and federal laws

AN ACT TO AMEND SECTION 38-2-10, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO ADMINISTRATIVE PENALTIES FOR THE VIOLATION OF THE INSURANCE LAWS OF SOUTH CAROLINA, SO AS TO ALLOW THE DEPARTMENT OF INSURANCE TO ENFORCE THESE PENALTIES FOR VIOLATIONS OF FEDERAL INSURANCE LAWS SUBJECT TO ENFORCEMENT BY THE DEPARTMENT; TO AMEND SECTION 38-13-70, RELATING TO INVESTIGATIONS CONDUCTED BY THE DEPARTMENT OF INSURANCE, SO AS TO AUTHORIZE THE DEPARTMENT TO RESPOND TO MOTIONS AND COMPLAINTS AGAINST HEALTH MAINTENANCE ORGANIZATIONS AND PERSONS LICENSED TO TRANSACT THE BUSINESS OF INSURANCE IN THIS STATE AND TO ESTABLISH A DEADLINE FOR RESPONSES TO THE DEPARTMENT'S INQUIRIES; TO AMEND SECTION 38-33-170, RELATING TO THE EXAMINATIONS OF THE AFFAIRS OF A HEALTH MAINTENANCE ORGANIZATION, SO AS TO REQUIRE AN EXAMINATION NO LESS THAN EVERY FIVE YEARS; TO AMEND SECTION 38-33-230, RELATING TO LEVY OF ADMINISTRATIVE PENALTY IN LIEU OF OTHER PENALTIES, SO AS TO ALLOW THE LEVY OF AN ADMINISTRATIVE PENALTY FOR VIOLATIONS OF STATE AND FEDERAL INSURANCE LAWS SUBJECT TO ENFORCEMENT BY THE DEPARTMENT OF INSURANCE; TO AMEND SECTION 38-61-20, RELATING TO THE APPROVAL OF INSURANCE POLICIES, CONTRACTS, OR POLICIES BY THE DEPARTMENT OF INSURANCE, SO AS TO REQUIRE THAT ALL FORMS FILED WITH THE DEPARTMENT SATISFY ALL APPLICABLE STATE AND FEDERAL LAWS AND TO AUTHORIZE THE DIRECTOR TO IMPOSE A PENALTY IN CERTAIN CIRCUMSTANCES; TO AMEND SECTION 38-71-90, RELATING TO THE PENALTIES FOR ISSUING OR DELIVERING A POLICY THAT VIOLATES CHAPTER 71, SO AS TO EXTEND THE PENALTIES TO ANY INSURER OR HEALTH MAINTENANCE ORGANIZATION WHO VIOLATES APPLICABLE STATE OR FEDERAL LAWS GOVERNING THE TRANSACTION OF THE BUSINESS OF INSURANCE SUBJECT TO ENFORCEMENT BY THE DEPARTMENT OF INSURANCE; AND TO AMEND SECTIONS 38-51-20 AND 38-51-30, RELATING TO ADMINISTRATORS OF INSURANCE BENEFIT PLANS, SO AS TO PROVIDE THAT AN APPLICANT FOR LICENSURE AS AN ADMINISTRATOR MUST PROVIDE CERTAIN FINANCIAL STATEMENTS AND REPORTS AND REQUIRE THE SUBMISSION OF A SURETY BOND FOR THE RENEWAL OF AN ADMINISTRATOR'S LICENSE. - ratified title

01/23/18	House	Introduced and read first time (House Journal-page 30)
01/23/18	House	Referred to Committee on Labor, Commerce and Industry (House Journal-page 30)
02/13/18	House	Committee report: Favorable with amendment Labor, Commerce and Industry (House Journal-page 10)
02/14/18	House	Amended (House Journal-page 16)
02/14/18	House	Read second time (House Journal-page 16)
02/14/18	House	Roll call Yeas-106 Nays-0 (House Journal-page 22)
02/15/18	House	Read third time and sent to Senate (House Journal-page 7)
02/15/18	Senate	Introduced and read first time (Senate Journal-page 7)
02/15/18	Senate	Referred to Committee on Banking and Insurance (Senate Journal-page 7)
02/15/18		Scrivener's error corrected
04/25/18	Senate	Committee report: Favorable Banking and Insurance (Senate Journal-page 13)
04/26/18		Scrivener's error corrected
05/01/18	Senate	Read second time (Senate Journal-page 38)
05/01/18	Senate	Roll call Ayes-41 Nays-0 (Senate Journal-page 38)
05/08/18	Senate	Read third time and enrolled (Senate Journal-page 39)
05/14/18		Ratified R 259
05/18/18		Signed By Governor
05/25/18		Effective date 05/18/18
05/31/18		Act No. 219