SPONSOR: Rep. Bush & Sen. Mantzavinos
Rep. Carson; Sen. Walsh

HOUSE OF REPRESENTATIVES
152nd GENERAL ASSEMBLY

HOUSE BILL NO. 283
AS AMENDED BY
HOUSE AMENDMENT NO. 1

AN ACT TO AMEND TITLE 18 OF THE DELAWARE CODE RELATING TO INSURANCE.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE (Three-fifths of all members elected to each house thereof concurring therein):

Section 1. Amend § 102, Title 18 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 102. Definitions [For application of this section, see 79 Del. Laws, c. 172, § 6].

As used in this part:

(12) "Third-party administrator" shall mean a person, firm or entity who directly or indirectly underwrites, collects charges or premiums from, or who approves, denies, adjusts or settles claims on residents of this State, in connection with health coverage offered or provided by an insurer. A third-party administrator shall be subject to the jurisdiction of the Department of Insurance. A third-party administrator shall not include any person, firm or entity who operates a billing and/or paying service only and who does not perform any of the other functions of a third-party administrator described above. Additionally, a third-party administrator shall not include any person, firm or entity which holds a certificate of authority as an insurer, health service corporation, MCO, or HMO under this title. The Commissioner shall promulgate regulations which shall provide for the registration, licensing and regulation of third-party administrators and enforcement of applicable provisions of this title to third-party administrators. Third-party administrators doing business in this State shall pay all fees and costs for ~~registration,~~registration as provided for in this title and shall pay all costs for examination, assessments, fines and/or penalties as provided for in this title or as the Commissioner shall establish by regulation. All revenues from the application of this provision to third-party administrators shall be deposited in accordance with the provisions of § 305 of this title.

Section 2. Amend § 701, Title 18 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 701. Fee schedule.

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Except as provided herein or otherwise by law, the Commissioner shall collect, in advance, fees, costs and miscellaneous charges as follows:

(3) Managed care organizations license (§ 6404 of this title).

a. Original license ~~500~~ 750

b. Annual continuation ~~150~~ 500

(11) Captive insurer.

a. Application fee 300

b. Annual continuation 400

c. Processing fee for examining, investigating, and processing initial application 3,200

d. Application fee for conditional certificate of authority 100

(38) Reciprocal jurisdiction reinsurer registration.

a. Initial registration 1,000

b. Annual continuation 1,000

(39) Certified reinsurer registration.

a. Initial registration 1,000

b. Annual continuation 1,000

(40) Third-party administrator certificate of authority.

a. For filing application for initial certificate of authority including all documents submitted as part of an application 500

b. Issuance of a certificate of authority 100

c. Reinstatement of certificate of authority 100

d. Amendment of certificate of authority 100

e. Duplicate or replacement certificate 500

Section 3. Amend § 3803, Title 18 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 3803. Certificate of authority — Required; application procedure; filing fee.

(d) The dental plan organization shall pay ~~a fee of $100 to the Commissioner upon filing an application for a certificate of authority~~fees for filing an application for a certificate of authority and for filing an annual report as set forth in §701 of this title.

Section 4. Amend § 6226, Title 18 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 6226. Reports.

Reports shall be filed in accordance with the provisions of this section.

(1) Every society transacting business in this State shall annually, on or before March 1, unless for cause shown such time has been extended by the Commissioner, file with the Commissioner a true statement of its financial condition, transactions and affairs for the preceding calendar year and pay ~~a fee of $25~~the fee set forth in § 701 of this title for filing same. The statement shall be in the general form and context as approved by the National Association of Insurance Commissioners for fraternal benefit societies and as supplemented by additional information required by the Commissioner.

Section 5. Amend § 6227, Title 18 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 6227. Annual license.

Societies which are now authorized to transact business in this State may continue such business until April 1, 1997. The authority of such societies and all societies hereafter licensed may thereafter be renewed annually, but in all cases to terminate on the next succeeding April 1. However, a license so issued shall continue in full force and effect until the new license is issued or specifically refused. For each such new license or renewal, the society shall pay the Commissioner ~~$25.~~the fees set forth in § 701 of this title. A duly certified copy or duplicate of such license shall be prima facie evidence that the licensee is a fraternal benefit society within the meaning of this chapter.

Section 6. Amend § 6409, Title 18 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 6409. Fees.

Every managed care organization subject to this chapter shall pay ~~$750~~ the fees set forth in § 701 of this title for filing an application for a certificate of authority and ~~$500~~ for filing an annual report.