

SB170 ENROLLED



1 SB170
2 RBRKINM-2
3 By Senators Roberts, Shelnutt
4 RFD: Banking and Insurance
5 First Read: 15-Jan-26



SB170 Enrolled

1 Enrolled, An Act,

2

3

4 Relating to health insurance; to create the Health
5 Savings Account State-Federal Regulatory Coordination Act; to
6 add Article 5 to Chapter 19, Title 27, Code of Alabama 1975,
7 to limit application of a federal cost-sharing requirement to
8 instances where the minimum deductible under federal law has
9 been applied to an enrollee's plan; to ensure the enrollee's
10 health savings account continues to qualify as a
11 high-deductible plan under federal law; and to amend Sections
12 10A-20-6.16 and 27-21A-23, Code of Alabama 1975, relating to
13 certain health care service corporations and health
14 maintenance organizations, to reference the new Article 5,
15 Chapter 9, Title 27, Code of Alabama 1975, created by the new
16 article.

17 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

18 Section 1. Article 5 is added to Chapter 19, Title 27
19 of the Code of Alabama 1975, to read as follows:

20 Article 5. The Health Savings Account State-Federal
21 Regulatory Coordination Act.

22 §27-19-180

23 (a) This article shall be known and may be cited as the
24 Health Savings Account State-Federal Regulatory Coordination
25 Act.

26 (b) The purpose of this article is to protect the
27 efficacy of Health Savings Account (HSA) qualified plans via a
28 legislative exception or safe harbor from any state benefit



SB170 Enrolled

29 mandate or copay accumulator adjustment law due to federal
30 law, regulations, rules, or guidance regarding high deductible
31 health plans.

32 (c) For purposes of this article, the following terms
33 have the following meanings:

34 (1) ENROLLEE. An individual who is enrolled in a health
35 insurance plan, whether on an individual or group basis,
36 including any covered dependent.

37 (2) HEALTH SAVINGS ACCOUNT QUALIFIED INSURANCE PLAN or
38 HSA. A high deductible health plan that meets the specific
39 requirements of 26 U.S.C. § 223, as interpreted and
40 administered by the federal Internal Revenue Service.

41 Individuals covered by such a plan may contribute to a Health
42 Savings Account (HSA), a trust, or a custodial account for
43 qualified medical expenses. An individual may not contribute
44 to an HSA unless he or she is covered by an HSA-qualified
45 insurance plan and has no other disqualifying coverage.

46 (3) HIGH DEDUCTIBLE HEALTH PLAN. A health insurance
47 plan, as defined in 26 U.S.C. § 223(c)(2).

48 (4) PREVENTIVE CARE. Those services defined as such by
49 the U.S. Department of the Treasury and the Internal Revenue
50 Service, including preventive services recognized under the
51 Affordable Care Act, pursuant to regulation or guidance issued
52 under the authority of Title 26 of the United States Code. In
53 general, the term does not include services that provide
54 treatment for known illnesses, diseases, or conditions.
55 However, under IRS Notice 2019-45, the term also includes
56 specified products and services provided to individuals with



SB170 Enrolled

57 certain defined chronic conditions including, but not limited
58 to, diabetes, asthma, and heart disease.

59 (5) ZERO COST-SHARING or COST-SHARING RESTRICTIONS.
60 Prohibition outright of any deductible, copayment, or
61 coinsurance on the part of the enrollee or certain limitations
62 on the amount of the deductible, copayment, or coinsurance.

63 (d) If under federal law, the application of any
64 cost-sharing requirement of the Insurance Code would cause the
65 enrollee's health savings account plan to no longer qualify as
66 a high-deductible health plan under 26 U.S.C. § 223, then the
67 cost-sharing requirement shall only apply to the enrollee's
68 plan once the minimum deductible under 26 U.S.C. § 223 has
69 been applied.

70 (e) The Commissioner of Insurance may adopt rules as
71 necessary to implement this section.

72 Section 2. Sections 10A-20-6.16 and 27-21A-23 of the
73 Code of Alabama 1975, are amended to read as follows:

74 "§10A-20-6.16

75 (a) No statute of this state applying to insurance
76 companies shall be applicable to any corporation organized
77 under this article ~~and amendments thereto~~ or to any contract
78 made by the corporation, except the corporation shall be
79 subject to the following:

80 (1) The provisions regarding annual premium tax to be
81 paid by insurers on insurance premiums.

82 (2) Chapter 55 of Title 27.

83 (3) Article 2 and Article 3 of Chapter 19 of Title 27.

84 (4) Section 27-1-17.



SB170 Enrolled

85 (5) Chapter 56 of Title 27.

86 (6) Rules adopted by the Commissioner of Insurance
87 pursuant to Sections 27-7-43 and 27-7-44.

88 (7) Chapter 54 of Title 27.

89 (8) Chapter 57 of Title 27.

90 (9) Chapter 58 of Title 27.

91 (10) Chapter 59 of Title 27.

92 (11) Chapter 54A of Title 27.

93 (12) Chapter 12A of Title 27.

94 (13) Chapter 2B of Title 27.

95 (14) Chapter 29 of Title 27.

96 (15) Chapter 62 of Title 27.

97 (16) Chapter 63 of Title 27.

98 (17) Chapter 45A of Title 27.

99 (18) Article 5 of Chapter 19 of Title 27.

100 (b) The provisions in subsection (a) that require
101 specific types of coverage to be offered or provided shall not
102 apply when the corporation is administering a self-funded
103 benefit plan or similar plan, fund, or program that it does
104 not insure."

105 "§27-21A-23

106 (a) Except as otherwise provided in this chapter,
107 provisions of the insurance law and provisions of health care
108 service plan laws shall not be applicable to any health
109 maintenance organization granted a certificate of authority
110 under this chapter. This ~~provision~~subsection shall not apply
111 to an insurer or health care service plan licensed and
112 regulated pursuant to the insurance law or the health care



SB170 Enrolled

113 service plan laws of this state except with respect to its
114 health maintenance organization activities authorized and
115 regulated pursuant to this chapter.

116 (b) Solicitation of enrollees by a health maintenance
117 organization granted a certificate of authority shall not be
118 construed to violate any provision of law relating to
119 solicitation or advertising by health professionals.

120 (c) Any health maintenance organization authorized
121 under this chapter shall not be deemed to be practicing
122 medicine and shall be exempt from the provisions of Section
123 34-24-310, et seq., relating to the practice of medicine.

124 (d) No person participating in the arrangements of a
125 health maintenance organization other than the actual provider
126 of health care services or supplies directly to enrollees and
127 their families shall be liable for negligence, misfeasance,
128 nonfeasance, or malpractice in connection with the furnishing
129 of such services and supplies.

130 (e) Nothing in this chapter shall be construed in any
131 way to repeal or conflict with any provision of the
132 certificate of need law.

133 (f) Notwithstanding the provisions of subsection (a), a
134 health maintenance organization shall be subject to all of the
135 following:

- 136 (1) Section 27-1-17.
- 137 (2) Chapter 56.
- 138 (3) Chapter 54.
- 139 (4) Chapter 57.
- 140 (5) Chapter 58.



SB170 Enrolled

141 (6) Chapter 59.
142 (7) Rules adopted by the Commissioner of Insurance
143 pursuant to Sections 27-7-43 and 27-7-44.
144 (8) Chapter 12A.
145 (9) Chapter 54A.
146 (10) Chapter 2B.
147 (11) Chapter 29.
148 (12) Chapter 62.
149 (13) Chapter 63.
150 (14) Chapter 45A.
151 (15) Article 5 of Chapter 19."
152 Section 3. This act shall become effective on June 1,
153 2026.



SB170 Enrolled

154
155
156
157
158
159
160
161
162
163
164
165
166
167
168
169
170
171
172
173
174
175
176
177
178
179
180
181
182
183
184
185
186
187
188
189
190
191

President and Presiding Officer of the Senate

Speaker of the House of Representatives

SB170

Senate 17-Feb-26

I hereby certify that the within Act originated in and passed the Senate.

Patrick Harris,
Secretary.

House of Representatives
Amended and passed: 11-Mar-26

Senate concurred in House amendment 11-Mar-26

By: Senator Roberts