

Department of Planning and Budget

2002 Fiscal Impact Statement

1. Patron May 2. Bill Number HB662
House of Origin:
X Introduced
 Substitute
X Engrossed
Second House:
 In Committee
 Substitute
X Enrolled

3. Committee Passed Both Houses

4. Title Health Insurance; reconstructive breast surgery

5. Summary/Purpose: Amends the statute mandating reconstructive breast surgery coincident with or after a mastectomy for breast cancer to render Virginia's law consistent with the federal Women's Health and Cancer Rights Act of 1998, which was incorporated into Title I of the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 300gg, et seq.). An existing provision that limits the mandate to policies, contracts or plans delivered, issued for delivery or renewed on or after July 1, 1998, is removed. Although the federal statute was signed into law on October 21, 1998, it is being interpreted not to limit breast reconstruction or benefits received in connection with a mastectomy to only those mastectomies occurring subsequent to its effective date. The measure also (i) provides that reconstructive breast surgery includes coverage for prostheses and physical complications, (ii) requires written notice of the coverage be provided to the enrollee, and (iii) prohibits denial of eligibility for coverage solely for the purpose of avoiding the requirements of the mandate.

6. No Fiscal Impact: The state employee health insurance programs already comply with the bill's provisions and Medicare is excluded from the requirements of the bill.

7. Budget amendment necessary: No

8. Fiscal implications: None

9. Specific agency or political subdivisions affected: N/A

10. Technical amendment necessary: No

11. Other comments: None

Date: 3/13/02/jdh

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