

State Corporation Commission
2003 Fiscal Impact Statement

1. Bill Number HB1737

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron Wardrup

3. Committee House Floor

4. Title Accident and sickness insurance; coverage for lymphedema.

5. Summary/Purpose: Requires insurers proposing to issue individual or group accident and sickness insurance policies providing hospital, medical and surgical, or major medical coverage on an expense-incurred basis; corporations providing subscription contracts; and HMOs providing health care plans to provide coverage for lymphedema. The coverage includes benefits for equipment, supplies, complex decongestive therapy, and outpatient self-management training and education for the treatment of lymphedema, if prescribed by a health care professional legally authorized to prescribe or provide such items under law. A managed care health insurance plan, as defined in Chapter 58 (§ 38.2-5800 et seq.), may require such health care professional to be a member of the plan's provider network. The network should include sufficient health care professionals that are qualified by specific education, experience, and credentials to provide the covered benefits. The bill prohibits insurers, corporations, or HMOs from imposing copayments, fees, policy year or calendar year, or durational benefit limitations or maximums for benefits or services that are not equally imposed on all individuals in the same benefit category. The bill applies to insurance policies, contracts, and plans delivered, issued for delivery, reissued, renewed or extended on or after July 1, 2004, or at any time thereafter when the terms is changed or the premium adjustment is made.

6. No Fiscal Impact

7. Budget amendment necessary: No

8. Fiscal implications: None

9. Specific agency or political subdivisions affected: State Corporation Commission
Bureau of Insurance

10. Technical amendment necessary: No

11. Other comments: Delegate Wardrup introduced similar legislation last year (HB 383), which was referred to the Special Advisory Commission (SAC). At its January 8, 2003 meeting, the SAC voted 10 – 0 in support of enacting this legislation. The January 16, 2003 amendment to the bill came at the suggestion of the State

Corporation Commission Bureau of Insurance for clarification purposes. The amendment to the bill at Page 1, Line 35 added "in this Commonwealth" after the word "extended" to clarify that this provision, like every other health insurance mandate, is applicable only to Virginia -issued insurance contracts.

Date: 01/20/03/V. Tompkins

cc: Secretary of Health and Human Resources