

## State Corporation Commission 2004 Fiscal Impact Statement

**1. Bill Number** HB1196

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

**2. Patron** Scott, J.M.

**3. Committee** Commerce and Labor

**4. Title** Insurance; medical expense coverage; intoxicants and narcotics.

**5. Summary/Purpose:** Amends §38.2-3504 of the Code of Virginia relating to individual medical expense policies and prohibiting coverage due to intoxicants or narcotics. Currently, individual accident and sickness policies issued for delivery or delivered prior to January 1, 2001 shall include provisions 1 through 7, 8 a and 9 through 11. Provisions 1 through 7, 8 b, and 9 through 11 shall apply to all such policies issued for delivery, delivered, renewed, or extended in the Commonwealth on or after January 1, 2001. House Bill 1196 prohibits individual policies providing hospital, medical, surgical or major medical expense coverage on an expense-incurred basis from including provision 11. Such policies shall not contain any exclusion prohibiting coverage as the result of impairment due to intoxicants or narcotics. House Bill 1196 would apply to individual policies issued for delivery, delivered, renewed, or extended in the Commonwealth on or after July 1, 2004.

**6. No Fiscal Impact on the State Corporation Commission**

**7. Budget amendment necessary:** No

**8. Fiscal implications:** None on the State Corporation Commission

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

**10. Technical amendment necessary:** No

**11. Other comments:** On February 5, 2004, the bill was carried over by its patron to the 2005 Session. The Bureau of Insurance could administer the legislation in its present form. When the issue of such an impairment prohibition was discussed at the National Association of Insurance Commissioners, the national forum for insurance issues, advocates for this type of legislation were emergency room physicians. Physicians expressed their opinion that people taken to emergency rooms after accidents were not given blood tests to determine if they had alcohol or narcotics in their blood for fear that if it was determined and made part of the person's medical record, insurers would deny the claim for treatment at the hospital for the injuries the person sustained.

**Date:** 02/07/04 / V.Tompkins

cc: Secretary of Health and Human Resources