

State Corporation Commission 2004 Fiscal Impact Statement

1. Bill Number HB1404

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

2. Patron Byron

3. Committee Commerce and Labor

4. Title Insurance; group accident and sickness insurance coverage for dependent

5. Summary/Purpose: Revises the requirements for health insurance coverage for dependents. The bill provides that except for policies issued pursuant to § 38.2-3521.1B, coverage under a group accident and sickness policy can be extended beyond the current ages of 19 to 25 for dependent full-time students. When the insurer offers the option, a policyholder can elect coverage for children over the age of 25. The extension of coverage must be mutually agreed upon by the insurer and the group policy-holder.

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: The State Corporation Commission Bureau of Insurance offered technical comments to the patron on HB 1404, all of which were included in the substitute to the bill. The Bureau was concerned that under the bill as introduced, insurers and group policyholders could have decided to provide dependent health insurance coverage that would begin or cease at any ages they chose, could use different limiting ages in different contracts, or could not provide coverage at earlier ages, where childhood illness can be more expensive to cover. Those concerns have been successfully addressed.

Date: 02/18/04 / V.Tompkins

cc: Secretary of Commerce and Trade