Department of Planning and Budget
2004 Fiscal Impact Statement

1. **Bill Number** SB687

   House of Origin ☐ Introduced ☐ Substitute ☐ Engrossed

   Second House ☐ In Committee ☒ Substitute ☐ Enrolled

2. **Patron**   Devolites

3. **Committee** Passed Both Houses

4. **Title**   Virginia Birth-Related Neurological Injury Compensation Act.

5. **Summary/Purpose** Deletes § 38.2-5009 B, which allowed the Virginia Birth-Related Neurological Injury Compensation Fund (BIF) to award reasonable attorneys' fees for applicants who were denied admission into the Virginia Birth-Related Neurological Injury Compensation Fund Program (Program). The bill also increases the participating physician assessment and participating hospital assessment by $100 and $10,000 per year, respectively, for five years, to a maximum of $5,500 and $200,000 respectively. The non-participating physician assessment is increased by $10 per year, for five years, to a maximum of $300 per year. The increases are scheduled to begin on January 1, 2005.

6. Fiscal Impact Estimates are not available to the State Corporation Commission (see Item 8)

7. **Budget amendment necessary:** No

8. **Fiscal implications:**   The Bureau of Insurance assumes that the increase in the assessments received by the Virginia Birth-Related Neurological Injury Compensation Program will have a fiscal impact on the Program, but the Bureau has no way of estimating the fiscal impact of this legislation. The administrator of the Program may be able to provide actuarial projections as to the reduction in the Program's deficit as a result of this bill.

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

10. **Technical amendment necessary:** No

11. **Other comments:**   Participation in the Program by physicians and hospitals remains voluntary under Senate Bill 687. Senate Bill 687 was amended on March 5, 2004 on the floor of the House, and it is now identical to House Bill 1407.

Date: 03/09/04 /V.Tompkins

cc: Secretary of Health and Human Resources