

State Corporation Commission 2005 Fiscal Impact Statement

1. Bill Number SB864

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron Miller

3. Committee: Passed Senate and communicated to the House

4. Title Availability of individual health insurance coverage.

5. Summary/Purpose: Clarifies that health insurance issuers are prohibited from imposing affiliation periods (waiting periods that may be imposed by HMOs) on eligible individuals who are guaranteed individual accident and sickness insurance coverage as they come out of prior health insurance coverage in accordance with the federal Health Insurance Portability and Accountability Act (HIPAA). HIPAA was enacted by Congress in 1996, and the Virginia General Assembly enacted legislation in compliance with federal HIPAA regulations in 1997.

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: Senate Bill 864 was introduced at the request of the State Corporation Commission Bureau of Insurance. The bill contains a technical correction to § 38.2-3430.3 in order to maintain HIPAA portability compliance. Every three years, the federal Centers for Medicare and Medicaid Services reviews Virginia's compliance with HIPAA. At the last review, the Bureau of Insurance was requested to propose legislation amending this statute to make this clarification to maintain compliance with federal law. The bill passed the Senate on January 21, 2005, by a vote of 39 - 0.

Date: 01/24/05 / V. Tompkins

cc: Secretary of Health and Human Resources