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HOUSE BILL NO. 253

Offered January 11, 2006 Prefiled January 4, 2006

A BILL to amend the Code of Virginia by adding a section numbered 38.2-3407.13:3, relating to the assignment of benefits to a physician.

Patrons—Cosgrove and O'Bannon

Referred to Committee on Commerce and Labor

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered 38.2-3407.13:3 as follows:

§ 38.2-3407.13:3. Refusal to accept assignments of benefits to physicians prohibited.

A. As used in this section, "assignment of benefits" means the transfer of health care coverage reimbursement benefits or other rights under an insurance policy, subscription contract, or health care services plan by an insured, subscriber, or plan enrollee to a physician. The assignment of benefits shall not be effective until the insured, subscriber, or enrollee notifies the insurer, corporation, or plan in writing of the assignment.

B. No insurer 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; no corporation providing individual or group accident and sickness subscription contracts; and no health care services plan offering or administering prepaid health care services shall refuse to accept or make reimbursement pursuant to an assignment of benefits made to a physician by an insured, subscriber, or plan enrollee.

C. The provisions of this section shall not apply to an insurer or employer providing workers' compensation coverage under Title 65.2.