

State Corporation Commission 2008 Fiscal Impact Statement

1. Bill Number: HB397

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

2. Patron: Hamilton

3. Committee: House Floor

4. Title: Health maintenance organizations; deductibles.

5. Summary/Purpose: Deletes language in the Health Maintenance Organization (HMO) chapter relating to limits for total deductibles per calendar or contract year. Language is also deleted that allows HMOs to continue the deductible under the federal program if the program for health savings accounts is terminated. Deletes language that outlined the criteria by which the State Corporation Commission would determine whether a health care plan's deductibles were unreasonable.

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 and its Bureau of Insurance

10. Technical amendment necessary: No

11. Other comments: Under House Bill 397, HMOs would be able to request approval of products with deductibles in excess of those currently permitted under the established limits for high deductible health plans used with health or medical savings accounts. The amendments contained in the engrossed version of House Bill 397 address an observation raised by the Bureau of Insurance with regard to the Commission's responsibility in determining whether a health care plan's deductibles were unreasonable. The Bureau of Insurance suggested that the patron consider whether to amend House Bill 397 to specify an upper limit in the statute or to remove some or all of the factors currently listed in § 38.2-4303 A 8 a. The engrossed amendments removed the factors listed in § 38.2-4303 A 8.

Date: 02/06/08/V. Tompkins

cc: Secretary of Commerce and Trade

Secretary of Health and Human Resources