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**HOUSE BILL NO. 1377**

Offered January 22, 2010

A *BILL to amend the Code of Virginia by adding in Article 1 of Chapter 42 of Title 38.2 a section numbered 38.2-4229.2, relating to health services plans; effect of law of another state.*

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Patron—Sickles

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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 in Article 1 of Chapter 42 of Title 38.2 a section numbered 38.2-4229.2 as follows:**

*§ 38.2-4229.2. Hearings and investigations on effect of other state's law.*

*A. If another state enacts a law that requires a health service plan operating in this state to provide a program or benefits for the residents of the other state, the Commission may conduct a proceeding to review and evaluate the impact of the law on the health service plan, including the impact on (i) surplus; (ii) premium rates for policies issued or delivered in the Commonwealth; and (iii) solvency.*

*B. Based on the review and evaluation under subsection A, the Commission shall determine whether the impact on the health service plan is harmful to the interests of subscribers covered by policies issued or delivered in the Commonwealth.*

*C. If the Commission determines the program or benefits for the residents of another state have an impact on the health service plan that is harmful to the interests of subscribers covered by policies issued or delivered in the Commonwealth, the Commission shall issue an appropriate order to protect the subscribers. The order may include a prohibition on the health service plan subsidizing the program or benefits for the residents of another state through:*

*1. Premiums charged to subscribers under policies issued or delivered in the Commonwealth; or*

*2. The use of any surplus earned through policies issued or delivered in the Commonwealth.*

INTRODUCED

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