

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

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

4 [H 1377]

5 Approved

6 **Be it enacted by the General Assembly of Virginia:**

7 **1. That the Code of Virginia is amended by adding in Article 1 of Chapter 42 of Title 38.2 a**
8 **section numbered 38.2-4229.2 as follows:**

9 *§ 38.2-4229.2. Hearings and investigations on effect of other state's law.*

10 *A. If another state enacts a law that requires a health services plan operating in the Commonwealth*
11 *to provide a program or benefits for the residents of the other state, the Commission may conduct a*
12 *proceeding to review and evaluate the impact of the law on the health services plan. The Commission*
13 *shall direct the Commissioner to conduct an examination of the health service plan in accordance with*
14 *Article 4 (§ 38.2-1317 et seq.) of Chapter 13 and report its findings to the Commission, including the*
15 *impact on (i) surplus; (ii) premium rates for residents of the Commonwealth covered by policies issued*
16 *or delivered either in the Commonwealth or in any other state; and (iii) solvency.*

17 *B. Based on the findings of the Commissioner, the Commission shall determine whether the impact*
18 *on the health services plan is harmful to the interests of residents of the Commonwealth covered by*
19 *policies issued or delivered either in the Commonwealth or in any other state.*

20 *C. If the Commission determines the program or benefits for the residents of another state have an*
21 *impact on the health services plan that is harmful to the interests of residents of the Commonwealth*
22 *covered by policies issued or delivered either in the Commonwealth or in any other state, the*
23 *Commission shall issue an appropriate order to protect such residents of the Commonwealth. The order*
24 *may include a prohibition on the health services plan subsidizing the program or benefits for the*
25 *residents of another state through:*

26 *1. Premiums charged or otherwise allocable to residents of the Commonwealth covered by policies*
27 *issued or delivered either in the Commonwealth or in any other state; or*

28 *2. The use of any earned surplus attributable to residents of the Commonwealth covered by policies*
29 *issued or delivered either in the Commonwealth or in any other state.*

30 *The determination of premiums charged or otherwise allocable to residents of the Commonwealth*
31 *and the determination of surplus attributable to residents of the Commonwealth in each case covered by*
32 *policies issued or delivered either in the Commonwealth or in any other state shall be based upon the*
33 *number of residents in the Commonwealth compared with the number of residents in other states*
34 *covered by the policies of the health services plan.*

ENROLLED

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