

State Corporation Commission 2011 Fiscal Impact Statement

1. Bill Number: SB1390

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

2. Patron: Howell

3. Committee: Passed Both Houses

4. Title: Life insurance; specified disease coverage or limited benefit health coverage.

5. Summary/Purpose: Provides that life insurance also includes additional benefits that provide specified disease or limited benefit health coverage. The additional benefits must be in compliance with the minimum standards pursuant to § 38.2-3519. Gives the SCC the authority to establish minimum standards for benefits for individual policies. Provides that the benefits may be combined in an individual policy or added as a rider to the policy. The insurer must be licensed to transact accident and sickness insurance in Virginia and must comply with rate and form filing requirements for individual and certain group rates contained in the Commission's Rules Governing the Filing of Rates for Individual and Certain Group Accident and Sickness Insurance Policy Forms (14 VAC 5-130-10 et seq.).

6. Budget amendment necessary: No

7. Fiscal Impact Estimates: No Fiscal Impact on the State Corporation Commission

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: The definition of life insurance under § 38.2-102 of the Code of Virginia allows for additional benefits to be provided in the event of accidental death, dismemberment, loss of sight, or total disability, but does not specifically include benefits providing coverage of a specific disease or limited benefit health coverage under § 38.2-3519 for accident and sickness insurance policies. Amending the definition of life insurance under § 38.2-102 will accomplish that purpose and make Virginia's definition of life insurance more in line with the definition of life insurance in the majority of states.

Date: 02/25/11/V. Tompkins

cc: Secretary of Health and Human Resources