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SENATE BILL NO. 945

Offered January 9, 2013

Prefiled January 7, 2013

A BILL to amend and reenact §§ 38.2-4214, 38.2-4319, and 38.2-4509, as such sections are currently effective and as they shall become effective, of the Code of Virginia and to amend the Code of Virginia by adding in Chapter 34 of Title 38.2 an article numbered 7, consisting of sections numbered 38.2-3447 through 38.2-3452, relating to payment plans for cost-sharing obligations associated with prescriptions.

Patron—Puller

Referred to Committee on Commerce and Labor

Be it enacted by the General Assembly of Virginia:

1. That §§ 38.2-4214, 38.2-4319, and 38.2-4509, as such sections are currently effective and as they shall become effective, of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding in Chapter 34 of Title 38.2 an article numbered 7, consisting of sections numbered 38.2-3447 through 38.2-3452, as follows:

*Article 7.**Installment Payment of Cost-Sharing Obligations for Prescriptions.***§ 38.2-3447. Definitions.**

As used in this article, unless the context requires a different meaning:

"Affordable Care Act" has the same meaning ascribed to PPACA in § 38.2-3438.

"Cost-sharing obligation" means any out-of-pocket limit or out-of-pocket maximum, including deductibles and copayments, that a covered person is required, by the terms of the health benefit plan, to pay for in-network essential benefits, including coverage for prescription drugs, in a plan year. A covered person's cost-sharing obligation shall be determined in compliance with the maximum out-of-pocket limits established in the Affordable Care Act and shall reflect any reductions in out-of-pocket limits provided for individuals purchasing coverage through a health benefit exchange.

"Covered person" means a policyholder, subscriber, enrollee, participant, or other individual covered by a health benefit plan.

"Health benefit plan" means a policy, contract, certificate, or agreement offered by a health carrier to provide, deliver, arrange for, pay for, or reimburse any of the costs of health care services. "Health benefit plan" includes short-term and catastrophic health insurance policies, and a policy that pays on a cost-incurred basis, except as otherwise specifically exempted in this definition. "Health benefit plan" does not include "excepted benefits" as defined in § 38.2-3431.

"Health carrier" means an entity subject to the insurance laws and regulations of the Commonwealth and subject to the jurisdiction of the Commission that contracts or offers to contract to provide, deliver, arrange for, pay for, or reimburse any of the costs of health care services, including an insurer licensed to sell accident and sickness insurance, a health maintenance organization, a health services plan, or any other entity providing a plan of health insurance, health benefits, or health care services.

"Patient assistance program" includes (i) a patient prescription drug assistance program under which a pharmaceutical manufacturer or supplier provides prescription drugs at no cost or at reduced cost to individuals and families based on financial status, (ii) a pharmaceutical discount purchasing card program, (iii) The Pharmacy Connection program conducted by the Virginia Health Care Foundation, and (iv) any state pharmaceutical assistance program.

§ 38.2-3448. Determination of expected prescription drug expenses and cost-sharing obligation.

A. Each health carrier, upon request by a covered person, shall determine whether the covered person's expected cost-sharing obligation in the plan year for his prescription drugs exceeds the covered person's expected total cost-sharing obligation in the plan year. A request by a covered person shall be submitted in writing.

B. A health carrier shall make a determination under subsection A within 30 days following the health carrier's receipt of the covered person's request. Such 30-day period shall be extended by a reasonable period, not to exceed an additional 15 days, if the health carrier is unable to make such determination because the covered person has failed to provide such information as the health carrier may reasonably require to ascertain the prescription drugs that will continue to be prescribed to the covered person in the plan year.

C. In making a determination of whether a covered person's expected cost-sharing obligation in the plan year for his prescription drugs will exceed the covered person's expected total cost-sharing

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59 obligation in the plan year, the health carrier shall calculate the covered person's expected cost-sharing
60 obligation in the plan year for his prescription drugs based on the aggregate of the cost-sharing
61 obligation the covered person reasonably anticipates will be required to be paid in the next plan year,
62 or balance of the current plan year, as applicable. In making such calculation, the health carrier shall
63 (i) include the cost-sharing obligation associated with every prescription drug prescribed to the covered
64 person at the time the request is submitted which it is reasonable to assume will continue to be
65 prescribed to the covered person throughout the applicable plan year and (ii) assume, in the absence of
66 clear evidence to the contrary, that the cost-sharing obligation associated with a prescription drug will
67 not decrease during the applicable plan year.

68 **§ 38.2-3449. Requirement to offer payment plan; acceptance.**

69 A. If the health carrier determines pursuant to § 38.2-3448 that a covered person's expected
70 cost-sharing obligations for prescription drug expense for the plan year exceeds the covered person's
71 expected cost-sharing obligation under the health benefit plan for the plan year, then the health carrier
72 shall give the covered person the option to pay the covered person's cost-sharing obligations under the
73 health benefit plan for the following plan year in 12 equal monthly installments; however, if a covered
74 person submits a request to pay cost-sharing obligations in monthly installments over the balance of the
75 current plan year, the covered person shall be offered the option to pay the covered person's
76 cost-sharing obligations under the health benefit plan for the remainder of the then-current plan year in
77 equal monthly installments calculated using the number of months remaining in the then-current plan
78 year.

79 B. Notice of the option shall be provided to the covered person in writing with the health carrier's
80 affirmative determination pursuant to § 38.2-3448. Such a notice shall be accompanied with a written
81 agreement that is consistent with the provisions of this article and that identifies the amount and due
82 dates of the monthly installment payments that the covered person would be required to make if he
83 enters into the agreement. A covered person who has been given the option to pay his cost-sharing
84 obligations for the a plan year in such installments shall not be obligated to do so. A covered person
85 may accept such an offer by executing the agreement and returning a copy, with any required
86 installment payment, to the health carrier.

87 C. A health carrier who enters into an agreement under which a covered person undertakes to pay
88 his cost-sharing obligations in monthly installments pursuant to this article shall not charge interest or
89 other fee or charge, provided the covered person pays the monthly installments as scheduled. However,
90 nothing in this subsection shall prohibit the health carrier from (i) canceling the agreement if the
91 covered person is delinquent by 60 days in making a scheduled installment payment or (ii) charging a
92 late fee if a scheduled installment payment is not made within seven calendar days after its due date,
93 which late fee shall not to exceed five percent of the amount of the installment. A covered person's
94 default under the agreement to pay the cost-sharing obligations in installments shall not authorize the
95 health carrier to cancel or otherwise change the terms of the covered person's coverage under the
96 health benefit plan.

97 D. All payments made under an agreement to pay cost-sharing obligations in installments as
98 authorized by this article shall be credited to the covered person's cost-sharing obligations under the
99 health benefit plan for the applicable plan year.

100 E. Upon cancellation of an agreement to pay cost-sharing obligations in installments, either by
101 mutual agreement or following default by either party, the covered person's cost-sharing obligations for
102 the current year shall be credited with installments made through the date of cancellation. Such
103 cancellation shall not result in an acceleration of the balance due under the installment payment
104 agreement or otherwise impair the obligations of the covered person and health carrier under the health
105 benefit plan.

106 **§ 38.2-3450. Application of cost-sharing obligation payments.**

107 A. An agreement to pay cost-sharing obligations in installments as authorized by this article shall
108 supersede any conflicting terms of a health benefit plan regarding the covered person's obligation to
109 remit payments connected with any cost sharing obligation related to prescription drug coverage,
110 including prescriptions not included in the health carrier's calculation pursuant to clause (i) of
111 subsection C of § 38.2-3448.

112 B. Notwithstanding anything in subsection A to the contrary, an agreement to pay cost-sharing
113 obligations in installments pursuant to this article does not alter the obligation of a covered person who
114 is party to such an agreement to pay any of his cost-sharing obligations arising with respect to covered
115 items or services other than those related to prescription drug coverage, and the covered person shall
116 be required to pay the cost-sharing obligation related to such other covered items and services as and
117 when due in accordance with the health benefit plan. Payments of cost-sharing obligations made with
118 respect to such other covered items and services shall be (i) credited toward the covered person's total
119 cost-sharing obligation for that plan year and (ii) applied to the balance due under the installment
120 payment agreement, in order to ensure that the aggregated amount paid by the covered person for his

cost-sharing obligation during a plan year under the installment payment agreement and in such additional payments for non-prescription related cost-sharing obligations does not exceed the cost-sharing obligation for the plan year. Such additional payments for non-prescription related cost-sharing obligations shall be applied first against the last scheduled payments due under the installment payment agreement, in order that the installment amounts will remain as set forth in the agreement until the reduced balance of the cost-sharing obligation is satisfied.

§ 38.2-3451. Participation in patient assistance program.

A. A covered person's eligibility to enter into an agreement to pay cost-sharing obligations in installments as provided in this article shall not be negatively affected by the covered person's current or prior participation in a patient assistance program.

B. A covered person's eligibility to participate in a patient assistance program shall not be negatively affected by the covered person's having entered into an agreement to pay cost-sharing obligations in installments as provided in this article.

§ 38.2-3452. Regulations.

The Commission shall promulgate regulations effectuating the purpose of this article, which regulations shall include a procedure for appealing a health carrier's determination that a covered person is not eligible to enter into an agreement to pay cost-sharing obligations in installments as provided in this article.

§ 38.2-4214. (Effective until July 1, 2014) Application of certain provisions of law.

No provision of this title except this chapter and, insofar as they are not inconsistent with this chapter, §§ 38.2-200, 38.2-203, 38.2-209 through 38.2-213, 38.2-218 through 38.2-225, 38.2-230, 38.2-232, 38.2-305, 38.2-316, 38.2-322, 38.2-400, 38.2-402 through 38.2-413, 38.2-500 through 38.2-515, 38.2-600 through 38.2-620, 38.2-700 through 38.2-705, 38.2-900 through 38.2-904, 38.2-1017, 38.2-1018, 38.2-1038, 38.2-1040 through 38.2-1044, Articles 1 (§ 38.2-1300 et seq.) and 2 (§ 38.2-1306.2 et seq.) of Chapter 13, §§ 38.2-1312, 38.2-1314, 38.2-1315.1, 38.2-1317 through 38.2-1328, 38.2-1334, 38.2-1340, 38.2-1400 through 38.2-1444, 38.2-1800 through 38.2-1836, 38.2-3400, 38.2-3401, 38.2-3404, 38.2-3405, 38.2-3405.1, 38.2-3406.1, 38.2-3406.2, 38.2-3407.1 through 38.2-3407.6:1, 38.2-3407.9 through 38.2-3407.18, 38.2-3409, 38.2-3411 through 38.2-3419.1, 38.2-3430.1 through 38.2-3446, Article 7 (§ 38.2-3447 et seq.) of Chapter 34, §§ 38.2-3501, 38.2-3502, subdivision 13 of § 38.2-3503, subdivision 8 of § 38.2-3504, §§ 38.2-3514.1, 38.2-3514.2, §§ 38.2-3516 through 38.2-3520 as they apply to Medicare supplement policies, §§ 38.2-3522.1 through 38.2-3523.4, 38.2-3525, 38.2-3540.1, 38.2-3541 through 38.2-3542, 38.2-3543.2, Article 5 (§ 38.2-3551 et seq.) of Chapter 35, Chapter 35.1 (§ 38.2-3556 et seq.), §§ 38.2-3600 through 38.2-3607, Chapter 52 (§ 38.2-5200 et seq.), Chapter 55 (§ 38.2-5500 et seq.), and Chapter 58 (§ 38.2-5800 et seq.) of this title shall apply to the operation of a plan.

§ 38.2-4214. (Effective July 1, 2014) Application of certain provisions of law.

No provision of this title except this chapter and, insofar as they are not inconsistent with this chapter, §§ 38.2-200, 38.2-203, 38.2-209 through 38.2-213, 38.2-218 through 38.2-225, 38.2-230, 38.2-232, 38.2-305, 38.2-316, 38.2-322, 38.2-400, 38.2-402 through 38.2-413, 38.2-500 through 38.2-515, 38.2-600 through 38.2-620, 38.2-700 through 38.2-705, 38.2-900 through 38.2-904, 38.2-1017, 38.2-1018, 38.2-1038, 38.2-1040 through 38.2-1044, Articles 1 (§ 38.2-1300 et seq.) and 2 (§ 38.2-1306.2 et seq.) of Chapter 13, §§ 38.2-1312, 38.2-1314, 38.2-1315.1, 38.2-1317 through 38.2-1328, 38.2-1334, 38.2-1340, 38.2-1400 through 38.2-1444, 38.2-1800 through 38.2-1836, 38.2-3400, 38.2-3401, 38.2-3404, 38.2-3405, 38.2-3405.1, 38.2-3406.1, 38.2-3406.2, 38.2-3407.1 through 38.2-3407.6:1, 38.2-3407.9 through 38.2-3407.18, 38.2-3409, 38.2-3411 through 38.2-3419.1, 38.2-3430.1 through 38.2-3437, Article 7 (§ 38.2-3447 et seq.) of Chapter 34, §§ 38.2-3501, 38.2-3502, subdivision 13 of § 38.2-3503, subdivision 8 of § 38.2-3504, §§ 38.2-3514.1, 38.2-3514.2, §§ 38.2-3516 through 38.2-3520 as they apply to Medicare supplement policies, §§ 38.2-3522.1 through 38.2-3523.4, 38.2-3525, 38.2-3540.1, 38.2-3541, 38.2-3541.1, 38.2-3541.2, 38.2-3542, 38.2-3543.2, Article 5 (§ 38.2-3551 et seq.) of Chapter 35, §§ 38.2-3600 through 38.2-3607, Chapter 52 (§ 38.2-5200 et seq.), Chapter 55 (§ 38.2-5500 et seq.), Chapter 58 (§ 38.2-5800 et seq.) and § 38.2-5903 of this title shall apply to the operation of a plan.

§ 38.2-4319. (Effective until July 1, 2014) Statutory construction and relationship to other laws.

A. No provisions of this title except this chapter and, insofar as they are not inconsistent with this chapter, §§ 38.2-100, 38.2-136, 38.2-200, 38.2-203, 38.2-209 through 38.2-213, 38.2-216, 38.2-218 through 38.2-225, 38.2-229, 38.2-232, 38.2-305, 38.2-316, 38.2-322, 38.2-400, 38.2-402 through 38.2-413, 38.2-500 through 38.2-515, 38.2-600 through 38.2-620, Chapter 9 (§ 38.2-900 et seq.), §§ 38.2-1016.1 through 38.2-1023, 38.2-1057, 38.2-1306.1, Article 2 (§ 38.2-1306.2 et seq.), § 38.2-1315.1, Articles 3.1 (§ 38.2-1316.1 et seq.), 4 (§ 38.2-1317 et seq.) and 5 (§ 38.2-1322 et seq.) of Chapter 13, Articles 1 (§ 38.2-1400 et seq.) and 2 (§ 38.2-1412 et seq.) of Chapter 14, §§ 38.2-1800 through 38.2-1836, 38.2-3401, 38.2-3405, 38.2-3405.1, 38.2-3406.1, 38.2-3407.2 through 38.2-3407.6:1,

182 38.2-3407.9 through 38.2-3407.18, 38.2-3411.2, 38.2-3411.3, 38.2-3411.4, 38.2-3412.1:01, 38.2-3414.1,
183 38.2-3418.1 through 38.2-3418.17, 38.2-3419.1, 38.2-3430.1 through 38.2-3446, *Article 7* (§ 38.2-3447
184 *et seq.*) of Chapter 34, § 38.2-3500, subdivision 13 of § 38.2-3503, subdivision 8 of § 38.2-3504,
185 §§ 38.2-3514.1, 38.2-3514.2, 38.2-3522.1 through 38.2-3523.4, 38.2-3525, 38.2-3540.1, 38.2-3540.2,
186 38.2-3541.1, 38.2-3541.2, 38.2-3542, 38.2-3543.2, Article 5 (§ 38.2-3551 *et seq.*) of Chapter 35,
187 Chapter 35.1 (§ 38.2-3556 *et seq.*), Chapter 52 (§ 38.2-5200 *et seq.*), Chapter 55 (§ 38.2-5500 *et seq.*),
188 and Chapter 58 (§ 38.2-5800 *et seq.*) shall be applicable to any health maintenance organization granted
189 a license under this chapter. This chapter shall not apply to an insurer or health services plan licensed
190 and regulated in conformance with the insurance laws or Chapter 42 (§ 38.2-4200 *et seq.*) except with
191 respect to the activities of its health maintenance organization.

192 B. For plans administered by the Department of Medical Assistance Services that provide benefits
193 pursuant to Title XIX or Title XXI of the Social Security Act, as amended, no provisions of this title
194 except this chapter and, insofar as they are not inconsistent with this chapter, §§ 38.2-100, 38.2-136,
195 38.2-200, 38.2-203, 38.2-209 through 38.2-213, 38.2-216, 38.2-218 through 38.2-225, 38.2-229,
196 38.2-232, 38.2-322, 38.2-400, 38.2-402 through 38.2-413, 38.2-500 through 38.2-515, 38.2-600 through
197 38.2-620, Chapter 9 (§ 38.2-900 *et seq.*), §§ 38.2-1016.1 through 38.2-1023, 38.2-1057, 38.2-1306.1,
198 Article 2 (§ 38.2-1306.2 *et seq.*), § 38.2-1315.1, Articles 3.1 (§ 38.2-1316.1 *et seq.*), 4 (§ 38.2-1317 *et*
199 *seq.*) and 5 (§ 38.2-1322 *et seq.*) of Chapter 13, Articles 1 (§ 38.2-1400 *et seq.*) and 2 (§ 38.2-1412 *et*
200 *seq.*) of Chapter 14, §§ 38.2-3401, 38.2-3405, 38.2-3407.2 through 38.2-3407.5, 38.2-3407.6 and
201 38.2-3407.6:1, 38.2-3407.9, 38.2-3407.9:01, and 38.2-3407.9:02, subdivisions F 1, F 2, and F 3 of
202 § 38.2-3407.10, §§ 38.2-3407.11, 38.2-3407.11:3, 38.2-3407.13, 38.2-3407.13:1, 38.2-3407.14,
203 38.2-3411.2, 38.2-3418.1, 38.2-3418.2, 38.2-3419.1, 38.2-3430.1 through 38.2-3437, 38.2-3500,
204 subdivision 13 of § 38.2-3503, subdivision 8 of § 38.2-3504, §§ 38.2-3514.1, 38.2-3514.2, 38.2-3522.1
205 through 38.2-3523.4, 38.2-3525, 38.2-3540.1, 38.2-3540.2, 38.2-3541.2, 38.2-3542, 38.2-3543.2, Chapter
206 52 (§ 38.2-5200 *et seq.*), Chapter 55 (§ 38.2-5500 *et seq.*), and Chapter 58 (§ 38.2-5800 *et seq.*) shall
207 be applicable to any health maintenance organization granted a license under this chapter. This chapter
208 shall not apply to an insurer or health services plan licensed and regulated in conformance with the
209 insurance laws or Chapter 42 (§ 38.2-4200 *et seq.*) except with respect to the activities of its health
210 maintenance organization.

211 C. Solicitation of enrollees by a licensed health maintenance organization or by its representatives
212 shall not be construed to violate any provisions of law relating to solicitation or advertising by health
213 professionals.

214 D. A licensed health maintenance organization shall not be deemed to be engaged in the unlawful
215 practice of medicine. All health care providers associated with a health maintenance organization shall
216 be subject to all provisions of law.

217 E. Notwithstanding the definition of an eligible employee as set forth in § 38.2-3431, a health
218 maintenance organization providing health care plans pursuant to § 38.2-3431 shall not be required to
219 offer coverage to or accept applications from an employee who does not reside within the health
220 maintenance organization's service area.

221 F. For purposes of applying this section, "insurer" when used in a section cited in subsections A and
222 B shall be construed to mean and include "health maintenance organizations" unless the section cited
223 clearly applies to health maintenance organizations without such construction.

224 **§ 38.2-4319. (Effective July 1, 2014) Statutory construction and relationship to other laws.**

225 A. No provisions of this title except this chapter and, insofar as they are not inconsistent with this
226 chapter, §§ 38.2-100, 38.2-136, 38.2-200, 38.2-203, 38.2-209 through 38.2-213, 38.2-216, 38.2-218
227 through 38.2-225, 38.2-229, 38.2-232, 38.2-305, 38.2-316, 38.2-322, 38.2-400, 38.2-402 through
228 38.2-413, 38.2-500 through 38.2-515, 38.2-600 through 38.2-620, Chapter 9 (§ 38.2-900 *et seq.*),
229 §§ 38.2-1016.1 through 38.2-1023, 38.2-1057, 38.2-1306.1, Article 2 (§ 38.2-1306.2 *et seq.*),
230 § 38.2-1315.1, Articles 3.1 (§ 38.2-1316.1 *et seq.*), 4 (§ 38.2-1317 *et seq.*), and 5 (§ 38.2-1322 *et seq.*)
231 of Chapter 13, Articles 1 (§ 38.2-1400 *et seq.*) and 2 (§ 38.2-1412 *et seq.*) of Chapter 14, §§ 38.2-1800
232 through 38.2-1836, 38.2-3401, 38.2-3405, 38.2-3405.1, 38.2-3406.1, 38.2-3407.2 through 38.2-3407.6:1,
233 38.2-3407.9 through 38.2-3407.18, 38.2-3411.2, 38.2-3411.3, 38.2-3411.4, 38.2-3412.1:01, 38.2-3414.1,
234 38.2-3418.1 through 38.2-3418.17, 38.2-3419.1, 38.2-3430.1 through 38.2-3437, *Article 7* (§ 38.2-3447
235 *et seq.*) of Chapter 34, § 38.2-3500, subdivision 13 of § 38.2-3503, subdivision 8 of § 38.2-3504,
236 §§ 38.2-3514.1, 38.2-3514.2, 38.2-3522.1 through 38.2-3523.4, 38.2-3525, 38.2-3540.1, 38.2-3540.2,
237 38.2-3541.1, 38.2-3541.2, 38.2-3542, 38.2-3543.2, Article 5 (§ 38.2-3551 *et seq.*) of Chapter 35,
238 Chapter 52 (§ 38.2-5200 *et seq.*), Chapter 55 (§ 38.2-5500 *et seq.*), Chapter 58 (§ 38.2-5800 *et seq.*) and
239 § 38.2-5903 shall be applicable to any health maintenance organization granted a license under this
240 chapter. This chapter shall not apply to an insurer or health services plan licensed and regulated in
241 conformance with the insurance laws or Chapter 42 (§ 38.2-4200 *et seq.*) except with respect to the
242 activities of its health maintenance organization.

243 B. For plans administered by the Department of Medical Assistance Services that provide benefits

pursuant to Title XIX or Title XXI of the Social Security Act, as amended, no provisions of this title except this chapter and, insofar as they are not inconsistent with this chapter, §§ 38.2-100, 38.2-136, 38.2-200, 38.2-203, 38.2-209 through 38.2-213, 38.2-216, 38.2-218 through 38.2-225, 38.2-229, 38.2-232, 38.2-322, 38.2-400, 38.2-402 through 38.2-413, 38.2-500 through 38.2-515, 38.2-600 through 38.2-620, Chapter 9 (§ 38.2-900 et seq.), §§ 38.2-1016.1 through 38.2-1023, 38.2-1057, 38.2-1306.1, Article 2 (§ 38.2-1306.2 et seq.), § 38.2-1315.1, Articles 3.1 (§ 38.2-1316.1 et seq.), 4 (§ 38.2-1317 et seq.), and 5 (§ 38.2-1322 et seq.) of Chapter 13, Articles 1 (§ 38.2-1400 et seq.) and 2 (§ 38.2-1412 et seq.) of Chapter 14, §§ 38.2-3401, 38.2-3405, 38.2-3407.2 through 38.2-3407.5, 38.2-3407.6, 38.2-3407.6:1, 38.2-3407.9, 38.2-3407.9:01, and 38.2-3407.9:02, subdivisions F 1, F 2, and F 3 of § 38.2-3407.10, §§ 38.2-3407.11, 38.2-3407.11:3, 38.2-3407.13, 38.2-3407.13:1, 38.2-3407.14, 38.2-3411.2, 38.2-3418.1, 38.2-3418.2, 38.2-3419.1, 38.2-3430.1 through 38.2-3437, 38.2-3500, subdivision 13 of § 38.2-3503, subdivision 8 of § 38.2-3504, §§ 38.2-3514.1, 38.2-3514.2, 38.2-3522.1 through 38.2-3523.4, 38.2-3525, 38.2-3540.1, 38.2-3540.2, 38.2-3541.2, 38.2-3542, 38.2-3543.2, Chapter 52 (§ 38.2-5200 et seq.), Chapter 55 (§ 38.2-5500 et seq.), Chapter 58 (§ 38.2-5800 et seq.) and § 38.2-5903 shall be applicable to any health maintenance organization granted a license under this chapter. This chapter shall not apply to an insurer or health services plan licensed and regulated in conformance with the insurance laws or Chapter 42 (§ 38.2-4200 et seq.) except with respect to the activities of its health maintenance organization.

C. Solicitation of enrollees by a licensed health maintenance organization or by its representatives shall not be construed to violate any provisions of law relating to solicitation or advertising by health professionals.

D. A licensed health maintenance organization shall not be deemed to be engaged in the unlawful practice of medicine. All health care providers associated with a health maintenance organization shall be subject to all provisions of law.

E. Notwithstanding the definition of an eligible employee as set forth in § 38.2-3431, a health maintenance organization providing health care plans pursuant to § 38.2-3431 shall not be required to offer coverage to or accept applications from an employee who does not reside within the health maintenance organization's service area.

F. For purposes of applying this section, "insurer" when used in a section cited in subsections A and B shall be construed to mean and include "health maintenance organizations" unless the section cited clearly applies to health maintenance organizations without such construction.

§ 38.2-4509. (Effective until July 1, 2014) Application of certain laws.

A. No provision of this title except this chapter and, insofar as they are not inconsistent with this chapter, §§ 38.2-200, 38.2-203, 38.2-209 through 38.2-213, 38.2-218 through 38.2-225, 38.2-229, 38.2-316, 38.2-400, 38.2-402 through 38.2-413, 38.2-500 through 38.2-515, 38.2-600 through 38.2-620, 38.2-900 through 38.2-904, 38.2-1038, 38.2-1040 through 38.2-1044, Articles 1 (§ 38.2-1300 et seq.) and 2 (§ 38.2-1306.2 et seq.) of Chapter 13, §§ 38.2-1312, 38.2-1314, 38.2-1315.1, Article 4 (§ 38.2-1317 et seq.) of Chapter 13, §§ 38.2-1400 through 38.2-1444, 38.2-1800 through 38.2-1836, 38.2-3401, 38.2-3404, 38.2-3405, 38.2-3407.10, 38.2-3407.13, 38.2-3407.14, 38.2-3407.15, 38.2-3407.17, 38.2-3415, *Article 7 (§ 38.2-3447 et seq.) of Chapter 34*, § 38.2-3541, Article 5 (§ 38.2-3551 et seq.) of Chapter 35, §§ 38.2-3600 through 38.2-3603, Chapter 55 (§ 38.2-5500 et seq.), and Chapter 58 (§ 38.2-5800 et seq.) of this title shall apply to the operation of a plan.

B. The provisions of subsection A of § 38.2-322 shall apply to an optometric services plan. The provisions of subsection C of § 38.2-322 shall apply to a dental services plan.

C. The provisions of Article 1.2 (§ 32.1-137.7 et seq.) of Chapter 5 of Title 32.1 shall not apply to either an optometric or dental services plan.

§ 38.2-4509. (Effective July 1, 2014) Application of certain laws.

A. No provision of this title except this chapter and, insofar as they are not inconsistent with this chapter, §§ 38.2-200, 38.2-203, 38.2-209 through 38.2-213, 38.2-218 through 38.2-225, 38.2-229, 38.2-316, 38.2-400, 38.2-402 through 38.2-413, 38.2-500 through 38.2-515, 38.2-600 through 38.2-620, 38.2-900 through 38.2-904, 38.2-1038, 38.2-1040 through 38.2-1044, Articles 1 (§ 38.2-1300 et seq.) and 2 (§ 38.2-1306.2 et seq.) of Chapter 13, §§ 38.2-1312, 38.2-1314, 38.2-1315.1, Article 4 (§ 38.2-1317 et seq.) of Chapter 13, §§ 38.2-1400 through 38.2-1444, 38.2-1800 through 38.2-1836, 38.2-3401, 38.2-3404, 38.2-3405, 38.2-3407.10, 38.2-3407.13, 38.2-3407.14, 38.2-3407.15, 38.2-3407.17, 38.2-3415, *Article 7 (§ 38.2-3447 et seq.) of Chapter 34*, § 38.2-3541, Article 5 (§ 38.2-3551 et seq.) of Chapter 35, §§ 38.2-3600 through 38.2-3603, Chapter 55 (§ 38.2-5500 et seq.), Chapter 58 (§ 38.2-5800 et seq.) and § 38.2-5903 of this title shall apply to the operation of a plan.

B. The provisions of subsection A of § 38.2-322 shall apply to an optometric services plan. The provisions of subsection C of § 38.2-322 shall apply to a dental services plan.

C. The provisions of Article 1.2 (§ 32.1-137.7 et seq.) of Chapter 5 of Title 32.1 shall not apply to either an optometric or dental services plan.

305 2. That the provisions of this act shall become effective on January 1, 2014.