

Department of Planning and Budget 2013 Fiscal Impact Statement

1. **Bill Number:** HB 2138

House of Origin Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. **Patron:** Byron

3. **Committee:** Commerce and Labor

4. **Title:** Health Insurance Reform Commission created

5. **Summary:** The substitute bill would establish the Health Insurance Reform Commission as a legislative commission. The duties of the commission would include: (i) monitoring the implementation of the federal Patient Protection and Affordable Care Act (PPACA); (ii) assessing the impact of PPACA on residents, businesses and the general fund; (iii) consideration of strategies for comprehensive health reform implementation; (iv) determining whether Virginia should establish a state-run health benefit exchange; (v) recommending what health benefits should be required to be included within the scope of the essential health benefits provided under health insurance products offered in the Commonwealth; (vi) assessments of health care benefit mandates; (vii) conduct studies of mandated benefits and other provider issues as requested by the General Assembly; (viii) and develop recommendations to increase access to health insurance coverage, ensure that the costs of health insurance coverage are reasonable, and encourage a robust market for health insurance products. The bill contains a sunset date of July 1, 2017, for the commission.

The bill contains a second enactment clause that repeals the Special Advisory Commission on Mandated Health Insurance Benefits.

6. **Budget Amendment Necessary:** No.

7. **Fiscal Impact Estimates:** Minimal.

8. **Fiscal Implications:** The fiscal impact of this bill is negligible. The per diem costs of legislative members and travel costs for the 10-member commission is offset by the savings from the equivalent costs of the 18-member Special Advisory Commission on Mandated Health Insurance Benefits. The State Corporation Commission currently pays the per diem and travel costs of the existing commission and is also required to pay the costs of the new commission. The net impact of this bill may result in minimal savings for the State Corporation Commission, since the new commission has eight less members. However, if any savings do occur they are expected to be minimal and will be redirected for commission operations since their revenue is nongeneral fund.

Administrative staff support is to be provided by the Office of the Clerk of either the Senate or House of Delegates dependent on which chamber the Chairman of the commission serves. Any additional administrative costs on the Clerk's offices are indeterminate at this time.

9. Specific Agency or Political Subdivisions Affected: Division of Legislative Services, Department of Human Resource Management, and the State Corporation Commission.

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: 1/28/13

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