

State Corporation Commission 2013 Fiscal Impact Statement

1. Bill Number: SB777

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: Watkins

3. Committee: Passed Both Houses

4. Title: Insurance; notice of lapse in coverage.

5. Summary: Insurance; notice of lapse in coverage. Revises the exemption from the requirement to provide a written notice prior to lapse of coverage for group policies, contracts or plans if the insurer, health services plan, or health care plan (i) as a general business practice provides written notices of premium due, or (ii) has furnished a written notice separate from the policy that failure to pay premiums on a timely basis will result in lapse of the policy, contract or plan.

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: Senate Bill 777 comes in response to the decision in the case Russell v. Nationwide, 2008 US Dist (E.D. Va) Lexis 93186. The second enactment clause states that the provisions of the bill are declarative of existing law.

Date: 02/17/13/V. Tompkins

cc: Secretary of Commerce and Trade

Secretary of Health and Human Resources