

# State Corporation Commission

## 2014 Fiscal Impact Statement

**1. Bill Number:** HB1043

**House of Origin**    ☐ Introduced    ☐ Substitute    ☐ Engrossed  
**Second House**    ☐ In Committee    ☐ Substitute    ☒ Enrolled

**2. Patron:** Byron

**3. Committee:** Passed Both Houses

**4. Title:** Health benefit exchanges; regulation of navigators.

**5. Summary:** Health benefit exchanges; regulation of navigators. Requires navigators, on and after September 1, 2014, to be registered with the State Corporation Commission, in addition to being certified by the federal Department of Health and Human Services (HHS). The measure prohibits navigators from receiving compensation for services when prohibited by federal law. The Commission shall register a navigator if his character and general fitness warrant belief that he will act fairly, in the public interest, and in accordance with law. Navigators are required to submit an application to the Commission in a form the Commission prescribes, pay an application fee, and provide a criminal record history. The Commission is authorized to examine and investigate those involved in navigator activities and requires them to report to the Commission (i) any action taken by the HHS, (ii) any felony conviction and, (iii) any administrative action taken in another jurisdiction or by another governmental agency in the Commonwealth. The Commission may determine whether the federal standards and qualifications for navigators are sufficient to ensure that navigators can perform their required duties. If the Commission finds that they are not, it is required to make a good faith effort to work in cooperation with the U.S. Secretary of HHS to propose improvements. If the Commission determines the standards and qualifications remain insufficient, the Commission is directed to adopt the necessary regulations to ensure that navigators can perform their required duties.

**6. Budget amendment necessary:** No

**7. Fiscal Impact Estimates:** Final; fiscal impact estimates are indeterminate. See Item 8 below.

**8. Fiscal implications:** The Bureau of Insurance believes that the provisions of this bill can be implemented with existing resources, and the cost for adjustments to the Bureau's computer systems and website to allow for regulating navigators is expected to be minimal.

**9. Specific agency or political subdivisions affected:** State Corporation Commission Bureau of Insurance

**10. Technical amendment necessary:** No

**11. Other Comments:** The State Corporation Commission Bureau of Insurance provided technical support to the patron in drafting House Bill 1043. The bill contains a delayed effective date of September 1, 2014 (see § 38.2-3457 in the bill) to give the Commission the

additional time to implement the provisions of the legislation. Senate Bill 542 is identical to HB 1043.

**Date:** 3/05/14/V. Tompkins

cc: Secretary of Commerce and Trade

Secretary of Health and Human Resources