

## State Corporation Commission 2019 Fiscal Impact Statement

**1. Bill Number:** SB1402

**House of Origin**    ☒ Introduced    ☐ Substitute    ☐ Engrossed

**Second House**    ☐ In Committee    ☐ Substitute    ☐ Enrolled

**2. Patron:**    Petersen

**3. Committee:** Commerce and Labor

**4. Title:**    Health care provider panels; vertically integrated carriers, public hospitals.

**5. Summary:** Requires any vertically integrated carrier to offer to every public hospital participation in each provider panel or network established for each of the vertically integrated carrier's policies, products, and plans, including all policies, products, and plans offered to individuals, employers, and enrollees in state and federal government benefit programs. The measure requires that the offered participation (i) be without any adverse tiering or other financial incentives that may discourage enrollees from utilizing the services of the public hospital and (ii) include all services offered by the public hospital and any other entity owned, operated, or controlled by a public hospital. The bill defines "vertically integrated carrier" as a health insurer or other carrier that owns an interest in, is owned by, or is under common ownership or control with an acute care hospital facility, excluding an entity that is under the ultimate control of or under common control with a public hospital.

**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:** The State Corporation Commission Bureau of Insurance suggested to the patron of Senate Bill 1402 that he may wish to consider adding some language to the bill on Line 152, after "R." that clarifies that notwithstanding the provisions of §§ 38.2-3407, 38.2-4209 and 38.2-4312, which allow insurance carriers to limit participation in their provider networks, each vertically integrated carrier shall offer participation in each provider panel or network.

**11. Other comments:** House Bill 2202 is identical to Senate Bill 1402. Senate Bill 1402 is very similar to the amendment in the nature of a substitute to 2018 Senate Bill 860, which was left in House Commerce and Labor.

**Date:** 01/28/19/V. Tompkins