

State Corporation Commission 2020 Fiscal Impact Statement

1. Bill Number: SB280

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

2. Patron: Barker

3. Committee: Passed Both Houses

4. Title: Health insurance; mental health parity; required report.

5. Summary: Codifies an existing requirement that the State Corporation Commission's Bureau of Insurance (the Bureau) make an annual report regarding claims information for mental health and substance use disorder benefits. The bill adds information regarding network adequacy to such report and requires the Bureau to submit the report to the House Committee on Commerce and Labor and the Senate Committee on Commerce and Labor by September 1 of each year. The bill directs the Joint Legislative Audit and Review Commission (JLARC) to conduct a third-party review of the Bureau's report. The bill requires JLARC, in conducting its review, to examine the information compiled by the Bureau from 2017 through 2020 and any other information it deems relevant and to report (i) its findings regarding mental health and substance abuse disorder benefits parity with medical and surgical benefits and access to mental health and substance abuse disorder services and (ii) its recommendations, if any, to the House Committee on Commerce and Labor, the Senate Committee on Commerce and Labor, and the Joint Subcommittee to Study Mental Health Services in the Commonwealth in the Twenty-First Century by December 1, 2020.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: No fiscal impact on the State Corporation Commission or the Joint Legislative and Audit Review Committee

8. Fiscal Implications: None on the State Corporation Commission or the Joint Legislative and Audit Review Committee

9. Specific Agency or Political Subdivisions Affected: State Corporation Commission Bureau of Insurance, the Joint Legislative and Audit Review Committee, and the Virginia Department of Health

10. Technical Amendment Necessary: No

11. Other Comments: The State Corporation Commission Bureau of Insurance was directed by legislation enacted in 2015 to develop reporting requirements regarding denied claims, complaints, and appeals involving mental health and substance use disorders benefits for a report for the Bureau of Insurance website. The first report was placed on the Bureau of Insurance website in 2018 for the year 2017. Information contained in the report is requested from carriers and compiled in a manner which maintains the confidentiality of individuals whose information has been reported. The report requirement necessitated the development of an automated functionality for reporting, receiving and compiling the data.

Senate Bill 280 requires the Bureau of Insurance to develop additional reporting requirements for data on network adequacy for the mental health parity report. The Bureau of Insurance will be required to work the Virginia Department of Health, since network adequacy is under the purview of the Virginia Department of Health.

Date: 3/3/2020/V. Tompkins