

# State Corporation Commission

## 2020 Fiscal Impact Statement

**1. Bill Number:** HB530

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

**2. Patron:** Samirah

**3. Committee:** Labor and Commerce

**4. Title:** Health care coverage; qualified health plans.

**5. Summary:** Requires the Department of Medical Assistance Services, in collaboration with the State Corporation Commission, to contract with health carriers to offer qualified health plans on the health benefit exchange beginning January 1, 2022. The bill provides that such qualified health plans are designed to reduce deductibles, make more services available before the deductible is met, provide predictable cost sharing, maximize subsidies, limit adverse premium impacts, reduce barriers to maintaining and improving health, encourage choice based on value, and limit adverse premium impacts and increases in premium rates. The bill requires that any health carrier contracted with the Department to offer such qualified health plans (i) is licensed and in good standing to offer health insurance coverage in the Commonwealth and (ii) offers at least one qualified health plan at a silver level of coverage and one qualified health plan at a gold level of coverage. The bill provides that any fee-for-service rates for providers and facilities under any such qualified health plan cannot exceed the Medicare rates for the same or similar covered services, and for reimbursement other than fee-for-service, the aggregate amount the qualified health plan pays to providers and facilities cannot exceed the equivalent of the aggregate amount the qualified health plan would have reimbursed providers using fee-for-service Medicare rates.

**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 House Bill 530 (i) that a definition of "Commission" be added to the bill on Lines 29-30 since the bill is amending Title 32.1, not Title 38.2.; and (ii) to add on Line 31 "for coverage" between "exchange" and "beginning" to clarify that 1/1/2022 is the date coverage begins and not the date that contracts must be made.

**11. Other Comments:** The Bureau of Insurance offered updated language for Subsection C concerning the offering requirements for qualified health plans (QHPs) at Lines 36-39:

- Subsection C: Lines 36-39: the offering requirements for QHPs have been made more specific. Therefore, subsection C should be replaced with the updated requirements:

(c) Offering requirements. A QHP issuer must offer through the Exchange:

1. At least one QHP in the silver coverage level and at least one QHP in the gold coverage level as described in §156.140 throughout each service area in which it offers coverage through the Exchange; and,
2. A child-only plan at the same level of coverage, as described in section 1302(d)(1) of the Affordable Care Act, as any QHP offered through the Exchange to individuals who, as of the beginning of the plan year, have not attained the age of 21.

**Date:** 1/24/20/V. Tompkins