

## 1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact § 38.2-109 of the Code of Virginia, relating to accident and sickness*  
3 *insurance; definition.*

4 [S 955]

5 Approved

6 **Be it enacted by the General Assembly of Virginia:**7 **1. That § 38.2-109 of the Code of Virginia is amended and reenacted as follows:**

8 § 38.2-109. Accident and sickness.

9 A. "Accident and sickness insurance" means insurance against loss resulting from sickness, or from  
10 bodily injury or death by accident or accidental means, or from a combination of any or all of these  
11 perils. As used in this title, unless the context requires otherwise, the term "accident and sickness  
12 insurance" shall be deemed to include "credit accident and sickness insurance."

13 B. The term "accident and sickness insurance" shall also include agreements insuring against losses  
14 resulting from health care claims or expenses of health care in excess of a specific or aggregate dollar  
15 amount, when such agreements are used to provide coverage to (i) an employee welfare benefit plan or  
16 any other plan providing accident and sickness benefits, (ii) a health maintenance organization, or (iii)  
17 a provider associated with a managed care network, provided:

18 1. The agreement clearly discloses the extent and duration of the liability assumed by the insurer  
19 once the policyholder's liability has been exceeded; and

20 2. The insurer maintains reserves in accordance with § 38.2-1314 for the liability it assumes under  
21 the agreement.

22 Such agreements shall not be subject to the requirements of Chapters 34 (§ 38.2-3400 et seq.) and  
23 35 (§ 38.2-3500 et seq.) of this title.

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