

VIRGINIA ACTS OF ASSEMBLY -- 1999 SESSION

CHAPTER 331

An Act to amend the Code of Virginia by adding in Chapter 1 of Title 6.1 a section numbered 6.1-2.9:8, relating to medical savings accounts; study.

[H 2708]

Approved March 22, 1999

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Chapter 1 of Title 6.1 a section numbered 6.1-2.9:8 as follows:

§ 6.1-2.9:8. Medical savings accounts.

To the extent allowed by federal law, a bank, insured savings institution, or credit union may act as a trustee or custodian of medical savings accounts established with financial institutions under § 220 of the United States Internal Revenue Code of 1986, as amended from time to time. Contributions may be accepted and interest thereon retained by such institution pursuant to forms provided by it and may be invested in accounts of the institution in accordance with the terms upon which such contributions were accepted. The financial institution shall administer such accounts in accordance with the requirements of federal law.

2. That the Joint Commission on Health Care, assisted by the Bureau of Insurance of the State Corporation Commission and the Department of Taxation, shall examine the current provisions of federal and state taxation and insurance laws to determine the feasibility of licensing group self-insurance associations that will pool their liabilities for the purpose of offering high-deductible, catastrophic health insurance coverage to holders of medical savings accounts. The Joint Commission on Health Care shall complete its work in time to submit its findings and recommendations to the Governor and the 2000 Session of the General Assembly as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents.