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**HOUSE BILL NO. 2707**

Offered January 21, 1999

*A BILL to amend the Code of Virginia by adding in Title 9 a chapter numbered 50, consisting of sections numbered 9-379 through 9-382, relating to the Special Advisory Commission on Managed Care Health Insurance Plans; Office of Managed Care Ombudsman.*

Patrons—Byron, Albo, Blevins, Devolites, Drake, Dudley, Griffith, Howell, Jones, S.C., Landes, May, Orrock, Wardrup and Weatherholtz

Referred to Committee on Corporations, Insurance and Banking

**Be it enacted by the General Assembly of Virginia:**

**1. That the Code of Virginia is amended by adding in Title 9 a chapter numbered 50, consisting of sections numbered 9-379 through 9-382, as follows:**

**CHAPTER 50.**

**SPECIAL ADVISORY COMMISSION ON MANAGED CARE  
HEALTH INSURANCE PLANS.**

*§ 9-379. Commission established; appointment of members; terms; eligibility; meetings.*

*A. The Special Advisory Commission on Managed Care Health Insurance Plans is hereby established to advise the Governor and the General Assembly on the social and financial impact of current and proposed laws impacting managed care health insurance plans, in the manner set forth in this chapter. The Advisory Commission shall be comprised of sixteen members. Ten members shall be appointed by the Governor as follows: one physician, one chief executive officer of a general acute care hospital, one allied health professional, one representative of small business, one representative of a major industry, one expert in the field of medical ethics, two representatives of the accident and health insurance industry, and two citizen members. The Senate Committee on Privileges and Elections shall appoint one member from the Senate Committee on Education and Health and one member from the Senate Committee on Commerce and Labor, and the Speaker of the House of Delegates shall appoint one member from the House Committee on Health, Welfare and Institutions and one member from the House Committee on Corporations, Insurance and Banking. The Commissioner of Health and the Commissioner of Insurance shall serve as ex officio, nonvoting members.*

*B. Members shall be appointed for terms of four years each, except that appointments to fill vacancies shall be made for the unexpired terms. No person shall be eligible to serve for or during more than two successive four-year terms; but after the expiration of a term of two years or less, or after the expiration of the remainder of a term to which appointed to fill a vacancy, two additional four-year terms may be served by such a member if so appointed. The provisions of this subsection shall not apply to the ex officio members.*

*C. The Advisory Commission shall meet regularly and at the request of the Governor. The first meeting of the Advisory Commission shall be held no later than July 31, 1999, at which time the Advisory Commission shall select a chairman and a vice chairman, as determined by the membership.*

*§ 9-380. Duties of the Special Advisory Commission; reimbursement.*

*A. The Special Advisory Commission shall:*

*1. Develop and maintain, with the Bureau of Insurance and the State Health Department, a system and program of data collection to assess the impact of benefits and providers, including costs to employers and insurers, impact of treatment, cost savings in the health care system, number of providers and other data on managed care health insurance plans as may be appropriate.*

*2. Advise and assist the Bureau of Insurance and the State Department of Health on matters relating to managed care health insurance plan benefits and provider regulations.*

*3. Provide assessments of proposed and existing managed care health insurance laws and other studies of managed care health insurance plan issues as requested by the General Assembly.*

*4. Provide additional information and recommendations, relating to managed care health insurance plans, to the Governor and the General Assembly upon request.*

*5. Report annually on its activities to the joint standing committees of the General Assembly having jurisdiction over insurance by December 1 of each year.*

*B. Members of the Special Advisory Commission shall receive reimbursement for expenses incurred in the performance of their duties pursuant to § 30-19.12.*

*§ 9-381. Special Advisory Commission staff assistance.*

*The Bureau of Insurance, the State Health Department, and such other state agencies as may be considered appropriate by the Special Advisory Commission shall provide staff assistance to the Special*

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60 *Advisory Commission.*

61 *§9-382. Office of Managed Care Ombudsman.*

62 *An Office of Managed Care Ombudsman is hereby created within the Division of Consumer Counsel*  
63 *in the office of the Attorney General. The office shall be headed by an ombudsman appointed by the*  
64 *Attorney General. The Managed Care Ombudsman shall promote and protect the interests of covered*  
65 *persons under managed care health insurance plans in the Commonwealth. The Managed Care*  
66 *Ombudsman shall advise and assist the Special Advisory Commission on Managed Care Health*  
67 *Insurance Plans in making studies related to the enforcement and improvement of managed care health*  
68 *insurance plans and provider regulations in the Commonwealth.*