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SENATE BILL NO. 1156

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on Commerce and Labor
on February 8, 1999)

(Patron Prior to Substitute—Senator Colgan)

A BILL to amend the Code of Virginia by adding in Title 38.2 a chapter numbered 59, consisting of sections numbered 38.2-5900 and 38.2-5901, relating to the State Managed Care Consumer Advocate.

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Title 38.2 a chapter numbered 59, consisting of sections numbered 38.2-5900 and 38.2-5901 as follows:

CHAPTER 59.

STATE MANAGED CARE CONSUMER ADVOCATE.

§ 38.2-5900. State Managed Care Consumer Advocate established; responsibilities.

A. The position of the State Managed Care Consumer Advocate is hereby created within the Bureau of Insurance of the State Corporation Commission. The State Managed Care Consumer Advocate shall promote and protect the interests of covered persons under managed care health insurance plans in the Commonwealth. All state agencies shall assist and cooperate with the State Managed Care Consumer Advocate in the performance of his duties under this chapter.

B. The State Managed Care Consumer Advocate shall:

1. Assist covered persons in understanding the rights and the processes available to them according to the internal utilization review procedures of their managed care health insurance plans.

2. Answer inquiries from covered persons and other citizens by telephone, mail, electronic mail or in person.

3. Provide to covered persons and other citizens information concerning managed care health insurance plans and other utilization review entities upon request.

4. Make available, either separately or through an existing Internet web site utilized by the State Corporation Commission or the Bureau of Insurance, information as set forth in subsection 3, including utilization review procedures and appeals.

5. In conjunction with complaint and inquiry data collected and maintained by the Bureau of Insurance, maintain data on inquiries received, the types of assistance requested, any actions taken and the disposition of each such matter.

6. Upon request, assist covered persons in using the procedures and processes available to them from their managed care health insurance plans or other utilization review entities.

7. Provide assessments of proposed and existing managed care health insurance laws and legislative studies of managed care health insurance plan issues upon request by either of the joint standing committees of the General Assembly having jurisdiction over insurance.

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

§ 38.2-5901. Funding.

A. Each licensed insurer writing insurance as defined in § 38.2-109, each health maintenance organization organized in accordance with provisions in Chapter 43 (§ 38.2-4300 et seq.) and each nonstock corporation organized in accordance with provisions in Chapter 42 (§ 38.2-4200 et seq.) or Chapter 45 (§ 38.2-4500 et seq.) shall pay, in addition to any other assessments provided in this title, an assessment in an amount not to exceed 0.005 percent of the direct gross premium income for such insurance written during the preceding calendar year. The assessment shall be apportioned and assessed and paid as described by § 38.2-403 at the rate determined by the Commission.

B. The assessment shall be collected by the Commission and paid directly into the state treasury and credited to the fund for the maintenance of the Bureau of Insurance as provided in subsection B of § 38.2-400.