

State Corporation Commission 2009 Fiscal Impact Statement

1. Bill Number: HB2145

House of Origin	<u> X </u>	Introduced	<u> </u>	Substitute	<u> </u>	Engrossed
Second House	<u> </u>	In Committee	<u> </u>	Substitute	<u> </u>	Enrolled

2. Patron: Nutter

3. Committee: Commerce and Labor

4. Title: Health insurance provider contracts; access to coverage information.

5. Summary/Purpose: Requires every provider contract entered into, amended, extended, or renewed on or after July 1, 2009 to make available to providers internet or other electronic information to determine in real time (i) if an enrollee is eligible for coverage under a plan of the carrier when the provider is a network or panel member; (ii) the enrollee is covered under another health plan; (iii) the enrollee has supplied the carrier all information in coordination of benefits (COB); and (iv) the carrier has determined any submitted claim for the enrollee is ineligible for payment because of COB. Also requires every provider contract to make available to providers by internet or other electronic medium the name of any other carrier or plan providing coverage and all necessary COB information. An insurance carrier is not in violation of this legislation if it is unable to comply with the section because of the person submitting electronic information, or if the non compliance is due to matters beyond the carrier's control not caused in part by the carrier. A provider that suffers a loss because of a violation of the bill or breach of a provider contract can initiate civil action to recover damages and attorney fees. The provisions only apply to insurance carriers subject to regulation under Title 38.2 of the Code of Virginia. The State Corporation Commission (SCC) can adopt regulations pursuant to § 38.2-223. The SCC has no jurisdiction to adjudicate individual controversies arising out of the bill. The requirements in subsection B of the bill are in addition to § 38.2-3407.15 B 4 which states that a claim cannot be denied unless a carrier is the primary carrier, and the name of the carrier has been made available to the provider.

6. Fiscal Impact Estimates: No Fiscal Impact on the State Corporation Commission

7. Budget amendment necessary: No

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: No

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11. Other comments: None

Date: 01/29/09 V. Tompkins

cc: Secretary of Commerce and Trade

Secretary of Health and Human Resources