

Department of Planning and Budget 2010 Fiscal Impact Statement

1. Bill Number: HB 317

House of Origin X Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron: McClellan

3. Committee: Commerce and Labor

4. Title: Group health insurance; enrollment opportunities

5. Summary: The bill requires a group health insurance plan to offer enrollment opportunities for employees and dependents who are eligible for coverage under, but not enrolled in, the plan upon their (i) losing eligibility for coverage under the Commonwealth's Medicaid or FAMIS program or (ii) becoming eligible for premium assistance under either program. In order to enroll, the employee or dependent must request coverage within 60 days of being terminated from coverage under the state program or 60 days of becoming eligible for premium assistance. Employers providing such group plans are required to notify employees of their potential eligibility for premium assistance under these state programs and to disclose to the Department of Medical Assistance Services, upon request, information to permit the Department to determine the cost-effectiveness of any premium assistance provided. The measure codifies provisions of the federal Children's Health Insurance Program Reauthorization Act of 2009.

6. No Fiscal Impact

7. Budget Amendment Necessary: No.

8. Fiscal Implications: The bill has no fiscal impact on the state. It does provide that group health insurance plans must provide information to the Department of Medical Assistance Services (DMAS) so the agency can determine the cost-effectiveness of premium assistance for the purchase of coverage under the group health plan or supplemental benefits under Medicaid or FAMIS. Such determinations are already part of the routine business of DMAS, so no impact is expected. There may be an increase in printed materials that provide information about DMAS' programs, but the bill is not clear on exactly what specific information the employer must provide to the employee of those programs.

9. Specific Agency or Political Subdivisions Affected: Department for Medical Assistance Services and State Corporation Commission.

10. Technical Amendment Necessary: None.

11. Other Comments: None.

Date: 1/26/2010 mst

Document: G:\GA Sessions\2010 Session\HB317.Doc