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## HOUSE BILL NO. 338

Offered January 8, 2014

Prefiled January 2, 2014

A *BILL to amend and reenact §§ 32.1-16 and 38.2-326 of the Code of Virginia, relating to plan management functions related to the federal health benefits exchange.*

Patron—Berg

Referred to Committee on Commerce and Labor

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

**1. That §§ 32.1-16 and 38.2-326 of the Code of Virginia are amended and reenacted as follows:**

**§ 32.1-16. State Department of Health.**

A. There shall be a State Department of Health in the executive department responsible to the Secretary of Health and Human Resources. The Department shall be under the supervision and management of the State Health Commissioner. The Commissioner shall carry out his management and supervisory responsibilities in accordance with the policies, rules and regulations of the Board.

B. In addition to other duties imposed on the Department pursuant to this title, the Department shall assist in the plan management functions of the federal health benefit exchange established by the Secretary of the U.S. Department of Health and Human Services pursuant to § 1321 of the Patient Protection and Affordable Care Act codified as 42 U.S.C. § 18041(c) in the Commonwealth; ~~including. Such assistance shall be limited to providing assistance services~~ to the State Corporation Commission in its performance of plan management functions as set forth in § 38.2-326. The Department shall be compensated for expenses incurred in providing such services.

**§ 38.2-326. Plan management functions.**

A. The Commission, with the assistance of the Virginia Department of Health, shall perform plan management functions required to certify health benefit plans and stand-alone dental plans for participation in the federal health benefit exchange established by the Secretary of the U.S. Department of Health and Human Services pursuant to § 1321 of the Patient Protection and Affordable Care Act codified as 42 U.S.C. § 18041(c) in the Commonwealth, provided that: ~~(i) full funding is available~~

1. *Federal funding sufficient to pay the operating expenses necessary to carry out the plan management functions is provided. Operating expenses include existing Commission technology support functions such as desktop support, network administration support, web services support, or other similar support functions;* ~~(ii) the~~

2. *The technology infrastructure, including integration with federal, state, and other necessary entities, is made available to the Commission by or through the U.S. Department of Health and Human Services* ~~or the Virginia Secretary of Health and Human Resources, at no cost to the Commonwealth, in order for~~ ~~the Commission to carry out the plan management functions authorized in this section;~~ ~~(iii) there~~

3. *There are no other impediments that effectively prevent the Commission from performing any required plan management functions; and* ~~(iv) the~~

4. *The performance of such plan management functions is not deemed to establish a health benefit exchange pursuant to § 1311 of the Patient Protection and Affordable Care Act codified as 42 U.S.C. § 18031. For purposes of this section, "plan management functions" means analyses and reviews necessary to support the certification, decertification, and recertification of qualified health plans and stand-alone dental plans for the federal health benefit exchange established by the Secretary of the U.S. Department of Health and Human Services pursuant to § 1321 of the Patient Protection and Affordable Care Act codified as 42 U.S.C. § 18041(c), and the collection of data necessary to perform the above functions.*

B. The Commission may *not* contract with ~~and or~~ enter into memoranda of understanding to carry out its plan management functions with the U.S. Department of Health and Human Services or any other state or federal agency; ~~provided that entering into such contracts or memoranda of understanding are not deemed to establish a health benefit exchange pursuant to § 1311 of the Patient Protection and Affordable Care Act codified as 42 U.S.C. § 18031 or department.~~

C. ~~The Commission's obligation to perform plan management functions described in subsection A is contingent upon receiving federal funding sufficient to pay the operating expenses necessary to carry out the plan management functions. The Commission shall seek full reimbursement from the U.S. Department of Health and Human Services for such expenses.~~

D. The Commission shall not use any special fund revenues dedicated to its other functions and duties, including, but not limited to, revenues from utility consumer taxes or fees from licensees or

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59 registrants regulated by the Commission or fees paid to the Clerk's Office, to fund the plan management  
60 functions.

61 ~~E. D.~~ Technology resources provided by the Commission in carrying out the plan management  
62 functions shall be limited to existing Commission technology support functions such as desktop support,  
63 network administration support, web services support, or other similar support functions.

64 ~~F. E.~~ The Commission shall make available to the public on its website a written report on the  
65 implementation and performance of its plan management functions during the preceding fiscal year,  
66 including, at a minimum, the manner in which all funds utilized for its plan management functions were  
67 expended.