

State Corporation Commission

2014 Fiscal Impact Statement

1. Bill Number: HB1166

House of Origin ☐ Introduced ☒ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Ingram

3. Committee: Passed House

4. Title: Blanket group accident and sickness insurance policies.

5. Summary: Blanket group accident and sickness insurance policies. Authorizes the delivery of blanket accident and sickness insurance policies. Blanket insurance is a form of limited accident and sickness insurance defined as an “excepted benefit” under § 38.2-3431 that (i) is issued to a master policyholder, (ii) provides coverage for specified circumstances and specific classes of persons, and (iii) need not name the persons covered. An individual application need not be required from a covered person, and the insurer is not required to furnish a certificate to each covered person. A blanket accident and sickness insurance policy is required to conform to one of 13 specific categories or be a policy issued to a risk or class of risks that, in the discretion of the State Corporation Commission, may be subject to the issuance of a policy. The discretion of the SCC may be exercised on an individual risk basis or class of risks, or both.

6. Budget amendment necessary: No

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

8. Fiscal implications: None on the State Corporation Commission

9. Specific agency or political subdivisions affected: State Corporation Commission and the Commission’s Bureau of Insurance

10. Technical amendment necessary: No

11. Other comments: The amendment in the nature of a substitute to House Bill 1166 modifies the definition of “blanket insurance” and adds a subsection E to § 38.2-3521.2 of the Code to the bill, which provides that notwithstanding any other provision of Title 38.2, any benefits payable under the blanket policy must be paid directly to the covered person.

Date: 02/04/14/V. Tompkins

cc: Secretary of Commerce and Trade

Secretary of Health and Human Resources