

# State Corporation Commission

## 2014 Fiscal Impact Statement

**1. Bill Number:** HB1185

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

**2. Patron:** Spruill

**3. Committee:** Commerce and Labor

**4. Title:** Health insurance; coverage for mental health services.

**5. Summary:** Health insurance; coverage for mental health services. Includes additional requirements for coverage for mental health and substance abuse services. The bill applies to individual and group accident and sickness policies, and subscription contracts, except those issued to a large employer as defined in §38.2-3431. Prohibits an insurer that provides coverage for inpatient and partial hospitalization mental health and substance abuse services for a family member of the insured or subscriber from denying coverage based primarily on a subjective evaluation of the imminence of the individual's suicide risk or risk of danger to others made by an employee or contractor of the insurer or corporation. An insurer's determination of whether inpatient treatment is medically necessary is required to give due consideration to the treatment recommendation of the health care provider treating the individual. In addition, the measure provides that if an insurer validly denies coverage for inpatient and partial hospitalization because a less intensive treatment option represents the medically necessary level of care, and the covered individual nevertheless receives the more intensive treatment, the insurer shall provide coverage for the more intensive treatment on the basis of the reimbursement and payment rates that would have applied had the less intensive treatment been provided.

**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 Bureau of Insurance

**10. Technical amendment necessary:** No

**11. Other comments:** None

**Date:** 01/28/14/V. Tompkins

cc: Secretary of Commerce and Trade

Secretary of Health and Human Resources