

# State Corporation Commission

## 2014 Fiscal Impact Statement

**1. Bill Number:** HB236

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

**2. Patron:** Marshall, R.G.

**3. Committee:** Commerce and Labor

**4. Title:** Health benefit plans; renewal and offer of nonconforming plans.

**5. Summary:** Authorizes a health carrier to offer to renew any health benefit plan that would have to be canceled, discontinued, or terminated because the plan does not meet the requirements of Title 1 of Patient Protection and Affordable Care Act (PPACA) or PPACA regulations if the renewal is consistent with the terms of the suspended enforcement provided by the federal authority. Applies to plans sold or offered for sale in the individual and group markets whether they are through or outside of a health benefit exchange established or operated in Virginia. Section 38.2-3454.2 provides that a health carrier can offer to sell any health benefit plan that would be canceled, discontinued or terminated, or would otherwise not be allowed because it does not meet the requirements of Title 1 of PPACA or PPACA regulations. The plan offered must meet the requirements of the terms of the suspended enforcement provided by the federal authority. The section applies to plans sold or offered for sale in the individual and group markets whether they are through or outside of a health benefit exchange established or operated in Virginia. A second enactment clause in the bill makes it emergency legislation.

**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:** House Bill 236 would provide authority for health insurance carriers to comply with President Obama's announcement of November 14, 2013 suspending enforcement of certain provisions of the PPACA in order to allow carriers to offer renewal of certain non-PPACA compliant health insurance plans to remain in effect up to October 1, 2015. Under current Virginia law, the Bureau of Insurance encouraged carriers to offer early renewals in 2013 of existing insurance plans in the individual and small business group market so those plans could remain in effect with coverage extending through the end of

2014. House Bill 236 would provide carriers with the option to provide renewal of certain policies in 2014 so that coverage of non-PPACA compliant health plans could be extended beyond 2014 to the extent that the appropriate federal authority has suspended the provisions of PPACA or its regulations.

**Date:** 01/21/14/V. Tompkins

cc: Secretary of Commerce and Trade  
Secretary of Health and Human Resources