

State Corporation Commission 2015 Fiscal Impact Statement

1. Bill Number: HB1530

House of Origin	<input checked="" type="checkbox"/>	Introduced	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Engrossed
Second House	<input type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Enrolled

2. Patron: Berg

3. Committee: Commerce and Labor

4. Title: Federal health benefit exchange; plan management function.

5. Summary: Federal health benefit exchange; plan management function. Repeals provisions authorizing the State Corporation Commission to (i) perform plan management functions 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 and (ii) review and approve accident and sickness insurance premium rates applicable to health benefit plans in the individual and small group markets and health benefit plans providing health insurance coverage in the individual market through certain nonemployer group plans. The bill also eliminates the provision authorizing the State Department of Health to assist in plan management functions.

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: If enacted, House Bill 1530 would eliminate the requirement that the State Corporation Commission perform plan management functions for the federal health benefits exchange with the assistance of the Virginia Department of Health. The bill also eliminates rate approval authority by the SCC for health maintenance organization contracts, policies providing health insurance coverage in the small group market and non-employer group type policies. The Commission would retain rate approval authority only for those types of accident and sickness products identified in Virginia § 38.2-316, e.g. non-HMO, individual health insurance products (which does not include non-employer group products).

The patron of House Bill 1530 also introduced 2014 House Bill 338, which prohibited the SCC from contracting or entering into a memorandum of understanding to carry out its plan management functions with the U.S. Department of Health and Human Services or any other federal agency and required the provision of federal funding sufficient to pay the operating expenses necessary to carry out the plan management functions. The bill was referred to House Commerce and Labor and continued to 2015.

House Bill 1530

Page 2

Date: 01/23/15/V. Tompkins

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