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## HOUSE BILL NO. 1037

AMENDMENT IN THE NATURE OF A SUBSTITUTE  
(Proposed by the House Committee on Labor and Commerce  
on February 4, 2020)

(Patron Prior to Substitute—Delegate Rasoul)

A BILL to amend the Code of Virginia by adding in Article 1 of Chapter 34 of Title 38.2 a section numbered 38.2-3407.21, relating to health insurance; short-term limited-duration medical plans.

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Article 1 of Chapter 34 of Title 38.2 a section numbered 38.2-3407.21 as follows:

§ 38.2-3407.21. Short-term limited-duration medical plans.

A. As used in this section:

"Carrier" means any entity that is authorized to sell, offer, or provide a short-term limited-duration medical plan.

"Covered person" means a policyholder, subscriber, enrollee, participant, or other individual who is entitled to health care services provided, arranged for, paid for, or reimbursed pursuant to a short-term limited-duration medical plan.

"PPACA" has the meaning ascribed thereto in § 38.2-3438.

"Short-term limited-duration medical plan" has the same meaning as short-term limited-duration insurance as used in 26 C.F.R. § 54.9801-2, 29 C.F.R. § 2590.701-2, and 45 C.F.R. § 144.103, except as described in subsection B.

B. No carrier shall issue, deliver, issue for delivery, reissue, or extend in the Commonwealth on and after July 1, 2021, any short-term limited-duration medical plan:

1. With a duration that exceeds three months;

2. That can be renewed or extended, notwithstanding § 38.2-3514.2, except for a one-time nonconsecutive renewal; or

3. If the issuance, delivery, reissuance, or extension of the short-term limited-duration medical plan would result in a covered person being covered by a short-term limited-duration medical plan for more than six months in any 12-month period.

C. No carrier shall issue a short-term limited-duration medical plan during an annual open enrollment period.

D. Any certificate delivered in the Commonwealth that is issued under a short-term limited-duration medical plan in any other jurisdiction shall comply with the requirements of this section.

2. That the provisions of this act shall become effective on July 1, 2021.

HOUSE  
SUBSTITUTE

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