

## State Corporation Commission 2020 Fiscal Impact Statement

**1. Bill Number:** HB1503

**House of Origin**    ☐ Introduced    ☐ Substitute    ☐ Engrossed

**Second House**    ☐ In Committee    ☒ Substitute    ☐ Enrolled

**2. Patron:**    Ward

**3. Committee:** Passed Senate

**4. Title:**    Health insurance; coverage for autism spectrum disorder.

**5. Summary:** Requires health insurers, corporations providing health care subscription plans, and health maintenance organizations to provide coverage for the diagnosis and treatment of autism spectrum disorder under insurance policies, subscription contracts, or health care plans issued in the individual market or small group markets. The existing requirement that such coverage be provided for policies, contracts, or plans issued in the large group market is not affected. The provision applies with respect to insurance policies, subscription contracts, and health care plans delivered, issued in the individual or small group markets shall apply to all insurance policies, subscription contracts and health care plans in the individual and small group markets delivered, issued for delivery, reissued, or extended on or after January 1, 2021 and to all such policies, contracts or plans to which a term is changed or any premium adjustment is made on or after such date.

**6. Budget Amendment Necessary:** No

**7. Fiscal Impact Estimates:** No fiscal impact on the State Corporation Commission or the State Health Insurance Fund of the Virginia Department of Human Resource Management

**8. Fiscal Implications:** None on the State Corporation Commission or the State Health Insurance Fund of the Virginia Department of Human Resource Management. Although there is no fiscal impact on the State Corporation Commission and minimal impact on the State Health Insurance Fund of the Virginia Department of Human Resource Management, there is a potential fiscal impact on the Commonwealth if it were to be determined that House Bill 1503 provides for benefits determined to be in excess of the Essential Health Benefits. The Health Insurance Reform Commission considers potential cost to the Commonwealth in its deliberations pursuant to Section C of § 30-343, including any estimated additional costs that the Commonwealth may be responsible for pursuant to § 1311(d)(3)(B) of the Patient Protection and Affordable Care Act. See also the comments in Item 11.

**9. Specific Agency or Political Subdivisions Affected:** State Corporation Commission Bureau of Insurance and the Department of Human Resource Management

**10. Technical Amendment Necessary:** No

**11. Other Comments:** On the basis of analysis by the State Corporation Commission Bureau of Insurance, there is a high likelihood that benefits proposed in House Bill 1503 could be considered a mandate which exceeds the EHBs, for which the Commonwealth would need to issue payment to insurance carriers for the portion of qualified health plan premium attributable to the proposed benefit. The Bureau of Insurance is aware of stakeholders who do not agree with this position.

House Bill 1503 extends the autism spectrum disorder coverage mandate, originally enacted in 2011, to the individual and small group markets. Subsection L of § 38.2-3418.17 requires that to the extent that this section requires benefits that exceed the Essential Health Benefits (EHBs) of the ACA, qualified health plans sold in the exchange are exempt from the extension of the coverage mandate. The Centers for Medicare and Medicaid Services, however, have indicated that a differential application of a state's autism mandate may raise concerns under Section 1252 of the Affordable Care Act, which provides that ACA requirements must be applied uniformly to all health plans in each insurance market to which the standard applies.

For the reasons indicated above, consideration should be given to referring House Bill 1503 to the Health Insurance Reform Commission for review of the issues.

House Bill 1043 was incorporated into House Bill 1503.

**Date:** 2/21/20/V.Tompkins