

State Corporation Commission

2020 Fiscal Impact Statement

1. Bill Number: SB867

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Petersen

3. Committee: Commerce and Labor

4. Title: Health care provider panels; vertically integrated carriers; providers.

5. Summary: Requires any vertically integrated carrier to offer participation in each provider panel or network established for each of the vertically integrated carrier's policies, products, and plans, including all policies, products, and plans offered to individuals, employers, and enrollees in state and federal government benefit programs, to every provider in the Commonwealth under the same terms and conditions that apply to providers under common control with the vertically integrated carrier. The measure requires that the offered participation (i) be without any adverse tiering or other financial incentives that may discourage enrollees from utilizing the services of the provider, (ii) include all sites and services offered by the provider, and (iii) take into account the different characteristics of different providers with regard to the range, nature, cost, and complexity of services offered. The measure prohibits an officer or director of a vertically integrated carrier from simultaneously serving as an officer or director of an entity that owns, operates, manages, or controls an acute care hospital located, in whole or in part, in the Commonwealth. The measure defines "vertically integrated carrier" as a health insurer or other carrier that owns an interest in, is owned by, or is under common ownership or control with an acute care hospital facility, excluding an entity that is under the ultimate control of or under common control with a hospital.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: No fiscal impact on the State Corporation Commission

8. Fiscal Implications: None

9. Specific Agency or Political Subdivisions Affected: State Corporation Commission
Bureau of Insurance

10. Technical Amendment Necessary: No

11. Other Comments: The State Corporation Commission Bureau of Insurance can administer the provisions of Senate Bill 867 as written.

Date: 1/30/20/V. Tompkins