

VIRGINIA ACTS OF ASSEMBLY — CHAPTER

An Act to amend and reenact §§ 30-58.1, 30-168.3, and 30-343 of the Code of Virginia, relating to Joint Commission on Health Care; duty to study proposed health insurance mandates.

[H 2372]

Approved

Be it enacted by the General Assembly of Virginia:

1. That §§ 30-58.1, 30-168.3, and 30-343 of the Code of Virginia are amended and reenacted as follows:

§ 30-58.1. Powers and duties of Commission.

The Commission shall have the following powers and duties:

1. Make performance reviews of operations of state agencies to ascertain that sums appropriated have been; or are being expended for the purposes for which such appropriations were made and to evaluate the effectiveness of programs in accomplishing legislative intent;

2. Study on a continuing basis the operations, practices, and duties of state agencies; as they relate to efficiency in the utilization of space, personnel, equipment, and facilities;

3. Make such special studies and reports of the operations and functions of state agencies as it deems appropriate and as may be requested by the General Assembly; *and*

~~4. Assess, analyze, and evaluate the social and economic costs and benefits of any proposed mandated health insurance benefit or mandated provider that is not included in the essential health benefits required by federal law to be provided under a health care plan, including the mandate's predicted effect on health care coverage premiums and related costs, net costs or savings to the health care system, and other relevant issues; and report its findings with respect to the proposed mandate to the Health Insurance Reform Commission; and~~

~~5. Make such reports on its findings and recommendations at such time and in such manner as the Commission deems proper, submitting same to the agencies concerned, to the Governor, and to the General Assembly. Such reports as are submitted shall relate to the following matters:~~

~~a. Ways in which the agencies may operate more economically and efficiently;~~

~~b. Ways in which agencies can provide better services to the Commonwealth and to the people; and~~

~~c. Areas in which functions of state agencies are duplicative, overlapping, or failing to accomplish legislative objectives or for any other reason should be redefined or redistributed.~~

§ 30-168.3. Powers and duties of the Commission.

The Commission shall have the following powers and duties:

1. To study and gather information and data to accomplish its purposes as set forth in § 30-168;

2. To study the operations, management, jurisdiction, powers, and interrelationships of any department, board, bureau, commission, authority, or other agency with any direct responsibility for the provision and delivery of health care in the Commonwealth;

~~3. To assess, analyze, and evaluate the social and economic costs and benefits, and other relevant issues, of any proposed mandated health insurance benefit or mandated provider that is not included in the essential health benefits required by federal law to be provided under a health care plan and report its findings with respect to the proposed mandate to the Health Insurance Reform Commission;~~

4. To examine matters relating to health care services in other states and to consult and exchange information with officers and agencies of other states with respect to health service problems of mutual concern;

~~4. 5. To maintain offices and hold meetings and functions at any place within the Commonwealth that it deems necessary;~~

~~5. 6. To invite other interested parties to sit with the Commission and participate in its deliberations;~~

~~6. 7. To appoint a special task force from among the members of the Commission to study and make recommendations on issues related to behavioral health care to the full Commission; and~~

~~7. 8. To report its recommendations to the General Assembly and the Governor annually and to make such interim reports as it deems advisable or as may be required by the General Assembly and the Governor.~~

§ 30-343. Standing committees to request Commission assessment.

A. Whenever a legislative measure containing a mandated health insurance benefit or provider is proposed that is not identical or substantially similar to a legislative measure previously reviewed by the Commission within the three-year period immediately preceding the then-current session of the General Assembly, the Chair of the House Committee on Labor and Commerce or Senate Committee on Commerce and Labor having jurisdiction over the proposal shall (i) request that the Commission assess the proposal and (ii) send a copy of such request to the Bureau of Insurance of the State Corporation Commission (the Bureau). The

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Commission shall be given a period of 24 months to complete and submit its assessment on each such request. A report summarizing the Commission's assessment shall be forwarded to the ~~Chairman~~ *chairman* of the standing committee that requested the assessment. For the purposes of this section, "mandated health insurance benefit or provider" has the same meaning as "state-mandated health benefit" provided in § 38.2-3406.1.

B. Upon receipt of a copy of such a request, the Bureau shall prepare an analysis of the extent to which the proposed mandate is currently available under qualified health plans in the Commonwealth and advise the Commission as to whether the applicable agency has determined or would likely determine, in accordance with applicable federal rules, that the proposed mandate exceeds the scope of the essential health benefits. The Bureau's analysis shall be advisory only and not binding upon the Commission, the Bureau, the State Corporation Commission, or any other parties. As used in this section, "applicable agency" means the governmental agency that in accordance with applicable federal rules is responsible for identifying state-mandated benefits that are in addition to the essential health benefits. If the applicable federal rules require an agency of the Commonwealth to identify the state-mandated benefits that are in addition to the essential health benefits but do not identify a specific agency that is responsible for making such identification, the Bureau shall be the applicable agency. Following the Bureau's analysis, the Commission shall determine if the proposed mandate shall be (i) considered as part of an essential health benefits benchmark plan review in accordance with the provisions of § 30-343.1, (ii) assessed jointly by the Bureau and the Joint ~~Legislative Audit and Review~~ Commission *on Health Care* in accordance with subsection C, or (iii) considered in another manner by the Commission.

C. Upon request of the Commission, the Bureau and the Joint ~~Legislative Audit and Review~~ Commission *on Health Care* shall jointly assess the social and financial impact and the medical efficacy of the proposed mandate, which assessment shall include an estimate of the effects of enactment of the proposed mandate on the costs of health coverage in the Commonwealth, including any estimated additional costs that the Commonwealth may be responsible for pursuant to § 1311(d)(3)(B) of the *federal* Patient Protection and Affordable Care Act should the proposed mandate ultimately be determined by the applicable agency to be a benefit that exceeds the scope of the essential health benefits. Upon completion of the assessment by the Bureau and the Joint ~~Legislative Audit and Review~~ Commission *on Health Care*, the Commission may make a recommendation regarding its support of or opposition to the enactment of the proposed mandate. The Commission's recommendation may address whether the proposed mandate should be provided under health care plans offered through a health benefit exchange or outside a health benefit exchange.

The Commission shall be given a period of 24 months to complete and submit its assessment on each such request. A report summarizing the Commission's study shall be forwarded to the Governor and the General Assembly.

D. Whenever a legislative measure containing a mandated health insurance benefit or provider is identical or substantially similar to a legislative measure previously reviewed by the Commission within the three-year period immediately preceding the then-current session of the General Assembly, the standing committee may request the Commission to study the measure as provided in subsection A.