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1 **HOUSE BILL NO. 227**

2 Offered January 14, 2026

3 Prefiled January 8, 2026

4 *A BILL to amend and reenact § 9.1-401 of the Code of Virginia, relating to Line of Duty Act; transitional*  
5 *coverage.*

6 Patron—Cornett

7 Committee Referral Pending

8 **Be it enacted by the General Assembly of Virginia:**9 **1. That § 9.1-401 of the Code of Virginia is amended and reenacted as follows:**10 **§ 9.1-401. Continued health insurance coverage for disabled persons, eligible spouses, and eligible**  
11 **dependents.**12 A. Disabled persons, eligible spouses, and eligible dependents shall be afforded continued health  
13 insurance coverage as provided in this section, the cost of which shall be paid by the nonparticipating  
14 employer to the Department of Human Resource Management or from the Fund on behalf of a participating  
15 employer, contributing nonprofit private institution of higher education, or contributing private police  
16 department, as applicable. If any disabled person or eligible spouse is receiving the benefits described in this  
17 section and would otherwise qualify for the health insurance credit described in Chapter 14 (§ 51.1-1400 et  
18 seq.) of Title 51.1, the amount of such credit shall be deposited into the Line of Duty Death and Health  
19 Benefits Trust Fund or paid to the nonparticipating employer, as applicable, from the health insurance credit  
20 trust fund, in a manner prescribed by VRS.21 B. 1. The continued health insurance coverage provided by this section for all disabled persons, eligible  
22 spouses, and eligible dependents shall be through separate plans, referred to as the LODA Health Benefits  
23 Plans (the Plans), administered by the Department of Human Resource Management. The Plans shall comply  
24 with all applicable federal and state laws and shall be modeled upon state employee health benefits program  
25 plans. Funding of the Plans' reserves and contingency shall be provided through a line of credit, the amount  
26 of which shall be based on an actuarially determined estimate of liabilities. The Department of Human  
27 Resource Management shall be reimbursed for health insurance premiums and all reasonable costs incurred  
28 and associated, directly and indirectly, in performing the duties pursuant to this section (i) from the Line of  
29 Duty Death and Health Benefits Trust Fund for costs related to disabled persons, deceased persons, eligible  
30 dependents, and eligible spouses on behalf of participating employers, contributing nonprofit private  
31 institutions of higher education, and contributing private police departments and (ii) from a nonparticipating  
32 employer for premiums and costs related to disabled persons, deceased persons, eligible dependents, and  
33 eligible spouses for which the nonparticipating employer is responsible. If any nonparticipating employer  
34 fails to remit such premiums and costs, the Department of Human Resource Management shall inform the  
35 State Comptroller and the affected nonparticipating employer of the delinquent amount. In calculating the  
36 delinquent amount, the Department of Human Resource Management may impose an interest rate of one  
37 percent per month of delinquency. The State Comptroller shall forthwith transfer such delinquent amount,  
38 plus interest, from any moneys otherwise distributable to such nonparticipating employer.39 C. 2. In the event that temporary health care insurance coverage is needed for disabled persons, eligible  
40 spouses, and eligible dependents during the period of transition into the LODA Health Benefits Plans, the  
41 Department of Human Resource Management is authorized to shall acquire and provide temporary  
42 transitional health insurance coverage. The type and source of the transitional health plans shall be within the  
43 sole discretion of the Department of Human Resource Management. Transitional coverage for eligible  
44 dependents shall comply with the eligibility criteria of the transitional plans until enrollment in the LODA  
45 Health Benefits Plan can be completed.46 C. 1. a. Except as provided in subdivision 2 and any other law, continued health insurance coverage in any  
47 LODA Health Benefits Plans shall not be provided to any person (i) whose coverage under the Plan is based  
48 on a deceased person's death or a disabled person's disability occurring on or after July 1, 2017 and (ii) who is  
49 eligible for Medicare due to age.

50 b. Coverage in the LODA Health Benefits Plans shall also cease for any person upon his death.

51 2. The provisions of subdivision 1 a shall not apply to any disabled person who is eligible for Medicare  
52 due to disability under Social Security Disability Insurance or a Railroad Retirement Board Disability  
53 Annuity. The Department of Human Resource Management may provide such disabled person coverage  
54 under a LODA Health Benefits Plan that is separate from the plan for other persons.55 3. Continued health insurance under this section shall also terminate upon the disabled person's return to  
56 full duty in any position listed in the definition of deceased person in § 9.1-400. Such disabled person shall

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59 promptly notify the participating or nonparticipating employer, the contributing nonprofit private institution  
60 of higher education, or the contributing private police department and VRS and the Department of Human  
61 Resource Management upon his return to work.

62 4. Such continued health insurance shall be suspended for the Plan year following a calendar year in  
63 which the disabled person whose coverage under the Plan is based on a disability occurring on or after July 1,  
64 2017, has earned income in an amount equal to or greater than the salary of the position held by the disabled  
65 person at the time of disability, indexed annually based upon the annual increases in the United States  
66 Average Consumer Price Index for all items, all urban consumers (CPI-U), as published by the Bureau of  
67 Labor Statistics of the U.S. Department of Labor. Such suspension shall cease the Plan year following a  
68 calendar year in which the disabled person has not earned such amount of income. The disabled person shall  
69 notify the participating or nonparticipating employer, the contributing nonprofit private institution of higher  
70 education, or the contributing private police department and VRS and the Department of Human Resource  
71 Management no later than March 1 of the year following any year in which he earns income of such amount  
72 and shall notify the participating or nonparticipating employer, the contributing nonprofit private institution  
73 of higher education, or the contributing private police department and VRS and the Department of Human  
74 Resource Management when he no longer is earning such amount. Upon request, a disabled person shall  
75 provide VRS and the Department of Human Resource Management with documentation of earned income.