



Fiscal Impact Statement for Proposed Legislation

Virginia State Corporation Commission

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House Bill 1214

Version: Introduced

Patron: K. Delaney

Title: Health insurance; cost-sharing payments for insulin and diabetes equipment and supplies; limit.

Summary as Introduced: Health insurance; cost-sharing payments for insulin and diabetes equipment and supplies; limit. Decreases the cap on the cost-sharing payment that a covered person is required to pay for a covered prescription insulin drug from \$50 to \$35 for a 30-day supply of the prescription insulin drug and provides such cap is an aggregate cap that applies in situations where the covered person is prescribed more than one insulin drug. The bill also establishes such an aggregate cap of \$35 for a 30-day supply of diabetes equipment and supplies.

Effective Date(s): January 1, 2027

Amendment Necessary: Budget, Item
 Technical, see *Technical Note* below
 None

Fiscal Summary

The bill has no impact on revenue.

The bill has an indeterminate impact on expenditures.

The bill has no impact on FTEs.

Fiscal Analysis

Revenue

There are no assumptions for revenue for this bill.

The requirements of this bill can be satisfied within the Bureau's current revenue authority.

Expenditures

The total impact the provisions of this legislation would have on SCC BOI cannot be determined. The proposed legislation would require a new state-mandated health benefit coverage for diabetes equipment and supplies. Part of this assessment is conducted by SCC BOI; it includes a determination of whether the proposed state-mandated health benefit is in addition to the essential health benefits (EHBs) under the Patient Protection and Affordable Care Act (ACA). HIRC may then direct SCC BOI to determine what the cost of defrayal payments to health carriers would be if the proposed state-mandated health benefit were enacted. 45 C.F.R. § 155.170 requires the state to defray the cost of state-mandated health benefits that are in addition to EHB. Defrayal payments are made from the general fund and SCC BOI acts as a pass-through entity to make defrayal payments to health carriers; SCC BOI also incurs some administrative costs as part of the defrayal payment process, which is paid for with nongeneral fund appropriations.

As no bill identical or substantially similar to HB 1214 has undergone a recent Step 2 assessment before HIRC, SCC BOI is unable to determine at this time, what the defrayal payment cost would be. CMS proposed rules released on 02/09/2026 may cause this bill to have a fiscal impact in that it requires coverage of certain defined equipment and supplies. As such, the fiscal impact of HB1214 is indeterminate.

Change in FTE

There is no impact on FTEs.

Other Comments

CMS proposed rules released on 02/09/2026 may cause this bill to have a fiscal impact in that it requires coverage of certain defined equipment and supplies. Under the new proposed federal rules, benefits required by a state action taking place after 12/31/2011 applicable to the individual or small group markets and not required by federal requirements would be considered in addition to EHB and required to be defrayed by the state. Once mandated by the state after 12/31/2011, a benefit can no longer be considered EHB if the federal rules are finalized as proposed. The rule would be effective 1/1/2027.

Technical Note

If removing potential defrayal payments is desired, delete lines 48-50 and the corresponding change to line 55; the bill would only require a change in cost sharing and would not mandate benefits, which would eliminate the defrayal issue.