



Fiscal Impact Statement for Proposed Legislation

Virginia State Corporation Commission

Published: March 2, 2026

House Bill 327

Version: Engrossed

Patron: Sullivan

Title: Commonwealth Health Reinsurance Program; extension of program; percentage goal to decrease premium.

Summary: Directs the State Corporation Commission to apply to the appropriate federal agencies under the federal Patient Protection and Affordable Care Act for an extension of the existing State Innovation Waiver authorizing the Commonwealth to implement a reinsurance program. The existing State Innovation Waiver is set to expire on January 1, 2028. Additionally, the bill removes the 20 percent upper limit of the premium reduction goal under the Commonwealth Health Reinsurance Program. As introduced, this bill was a recommendation of the Health Insurance Reform Commission.

Effective Date(s): July 1, 2026

Amendment Necessary: Budget, Item 478
 Technical, see *Technical Note* below
 None

Fiscal Summary

| TYPE OF IMPACT | FY2026 | FY2027 | FY2028 | FY2029 | FY2030 |
|---------------------------|--------|----------|--------|--------|--------|
| REVENUE | | | | | |
| <i>General (01000)</i> | \$0 | \$0 | \$0 | \$0 | \$0 |
| <i>Nongeneral (02006)</i> | \$0 | \$ | \$0 | \$0 | \$0 |
| EXPENDITURES | | | | | |
| <i>General (01000)</i> | \$0 | \$0 | \$0 | \$0 | \$0 |
| <i>Nongeneral (02006)</i> | \$0 | \$135000 | \$0 | \$0 | \$0 |
| CHANGE IN FTE | | | | | |
| <i>General (01000)</i> | 0 | 0 | 0 | 0 | 0 |
| <i>Nongeneral (02006)</i> | 0 | 0 | 0 | 0 | 0 |

Fiscal Analysis

Revenue

There are no assumptions for revenue for this bill.

This bill does not impact revenue at the State Corporation Commission.

Expenditures

Work related to this bill's mandate will occur in FY2027. Based on the SCC's prior experience in filling the original waiver application, expenditures will include actuarial analysis, economic modeling, and preparation of the application itself.

Records show SCC paid \$127,000 for this work in FY2022. That amount would likely be more in today's dollars. The cost is estimated to be \$135,000.

Change in FTE

There are no expected changes to FTEs under this bill.

Other Comments

none

Technical Note

Current statutory language does not list application for a waiver extension as an allowable use of the funds in the Commonwealth Health Reinsurance Program Special Fund. If changes are not made within § 38.2-6604 to allow the use of Commonwealth Health Reinsurance Program Special Funds for the waiver extension application, general funds can be used to cover these expenditures.