

State Corporation Commission

2022 Fiscal Impact Statement

1. Bill Number: HB 1174

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Adams, D.M.

3. Committee: Commerce and Energy

4. Title: Health carriers; denial of coverage; quarterly report.

5. Summary: Requires each health carrier in the Commonwealth to submit to the State Corporation Commission on a quarterly basis a report of all first-time denials of coverage, including denials based on preexisting conditions and experimental or investigational treatments. The bill states that a health carrier must inform a covered person of his right to an internal appeal or, if applicable, an external review, upon issuing a denial of coverage. The bill has an expiration date of July 1, 2024.

6. Budget Amendment Necessary: No

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

8. Fiscal Implications: None for the State Corporation Commission

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

10. Technical Amendment Necessary: No

11. Other Comments: Code of Virginia §§ 38.2-3559 and 38.2-5804 A 2 of the Code and 14VAC5-216-30 B currently require carriers to provide notice of internal appeal and external review rights, although House Bill 1174 appears to expand these requirements to all claim denials.

Date: 1/31/22/V. Tompkins