

# State Corporation Commission

## 2022 Fiscal Impact Statement

**1. Bill Number:** HB245

**House of Origin**    ☒ Introduced    ☐ Substitute    ☐ Engrossed

**Second House**    ☐ In Committee    ☐ Substitute    ☐ Enrolled

**2. Patron:**    Wilt

**3. Committee:** Commerce and Energy

**4. Title:**    Group health benefit plans; sponsoring associations, formation of benefits consortium.

**5. Summary:** Provides that sponsoring associations, including self-funded multiple employer welfare arrangements, may provide health benefit plans for small employers in the form of a trust benefit consortium, subject to certain requirements. The bill includes conditions for qualifying as a sponsoring association, requirements for the formation of a trust benefits consortium, and provisions to establish a board of trustees. Under the bill, such trust benefits consortium is subject to the federal Employee Retirement Income Security Act of 1974 (ERISA) and U.S. Department of Labor regulations and such trust shall not include certain words or terms in its name that are uniquely descriptive of insurance companies or business, and a statement to this effect is required to be included on the first page of the health benefit plan documents. A benefits consortium or sponsoring association is exempt from the requirements of the Virginia Life, Accident and Sickness Insurance Guaranty Association and exempt from annual license taxes under the bill.

**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:** House Bill 245 is expected to be rolled into House Bill 884.

**Date:** 1/26/22/V. Tompkins