

Department of Planning and Budget

2022 Fiscal Impact Statement

1. Bill Number: HB248

| | | | |
|------------------------|---------------------------------------|--|------------------------------------|
| House of Origin | <input type="checkbox"/> Introduced | <input type="checkbox"/> Substitute | <input type="checkbox"/> Engrossed |
| Second House | <input type="checkbox"/> In Committee | <input checked="" type="checkbox"/> Substitute | <input type="checkbox"/> Enrolled |

2. Patron: Davis

3. Committee: Health, Welfare and Institutions

4. Title: Health care data report; carriers, civil penalty.

5. Summary: Directs at the Department of Health (the Department), through its contract with the nonprofit organization described in § 32.1-276.4 of the Code of Virginia and in consultation with the Bureau of Insurance of the State Corporation Commission (the Bureau), shall by July 1, 2023, (i) develop and implement a methodology to review and measure the efficiency and productivity of health care providers and carriers, as defined in § 38.2-3407.10 of the Code of Virginia, other than limited scope dental or vision plans licensed pursuant to Chapter 45 (§ 38.2-4500 et seq.) of Title 38.2, and managed care health insurance plans, as defined in § 38.2-5800 of the Code of Virginia and certified by the Department pursuant to § 32.1-137.2 of the Code of Virginia, and (ii) make available to the public on a website maintained by the nonprofit organization such data and information and other reports collected or produced as a result of implementation of such methodology. The methodology shall be designed to foster transparency and competition among both carriers and health care providers and to assist consumers in making educated decisions regarding options for health care coverage and access. The bill requires the workgroup to report its findings and recommendations to the Governor and the Chairmen of the House Committee on Health, Welfare and Institutions and the Senate Committee on Education and Health by November 1, 2022.

6. Budget Amendment Necessary: Yes, item 299.

7. Fiscal Impact Estimates: Preliminary.

7a. Expenditure Impact:

| <i>Fiscal Year</i> | <i>Dollars</i> | <i>Positions</i> | <i>Fund</i> |
|--------------------|----------------|------------------|-------------|
| 2023 | \$25,000 | | 01000 |
| 2024 | \$25,000 | | 01000 |
| 2025 | \$25,000 | | 01000 |
| 2026 | \$25,000 | | 01000 |
| 2027 | \$25,000 | | 01000 |
| 2028 | \$25,000 | | 01000 |
| 2029 | \$25,000 | | 01000 |

- 8. Fiscal Implications:** The provisions of this bill, as amended, would have a fiscal impact on the Virginia Department of Health and Virginia Health Information, the nonprofit organization with which the Commissioner of Health has entered into a related contract with. As amended, the bill no longer provides for VHI to charge reasonable fees to offset costs. VHI has indicated costs related to additional storage requirements for data collected, data evaluation, and the development of materials used to inform people of any new data collection requirements. The majority of this cost is to ensure that data submitted by the Bureau of Insurance to VDH or VHI shall be provided in a secure manner to protect the safety and confidentiality of any proprietary information of any carrier or managed care health insurance plan. VHI estimates the cost of this bill will be \$25,000 annually.

Any impact on the SCC to call a stakeholder group and issue a report can be absorbed within existing resources.

If the workgroup identified in the bill should require additional data points, there may be additional costs, which cannot be determined at this time.

- 9. Specific Agency or Political Subdivisions Affected:** Virginia Health Information.

- 10. Technical Amendment Necessary:** No.

- 11. Other Comments:** None.