

Department of Planning and Budget

2022 Fiscal Impact Statement

1. Bill Number: SB204

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

2. Patron: Petersen

3. Committee: Commerce and Labor

4. Title: Health care provider panels; vertically integrated carriers; reimbursements to providers.

5. Summary: Requires any vertically integrated carrier, upon written request, to offer participation in each requested provider panel or network established for each of the vertically integrated carrier's policies, products, and plans, including all policies, products, and plans offered to individuals, employers, and enrollees in government benefit programs, to the requesting provider under the same terms and conditions that apply to providers under common control with the vertically integrated carrier. The measure requires that the offered participation (i) be without any adverse tiering or other financial incentives that may discourage enrollees from utilizing the services of the provider, (ii) include all sites and services offered by the provider, and (iii) take into account the different characteristics of different providers with regard to the range, nature, cost, and complexity of services offered. The measure prohibits an officer or director of a vertically integrated carrier from simultaneously serving as an officer or director of an entity that owns, operates, manages, or controls an acute care hospital located, in whole or in part, in the Commonwealth. The measure defines "vertically integrated carrier" as a health insurer or other carrier that owns an interest in, is owned by, or is under common ownership or control with an acute care hospital facility, excluding an entity that is under the ultimate control of or under common control with a public hospital.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: None – see item 8

8. Fiscal Implications: The Department of Human Resource Management indicates this bill does not impact the state health plan. The State Corporation Commission also indicates this bill has no fiscal impact on the Bureau of Insurance or the Health Benefit Exchange. Any impacts to Department of Medical Assistance Services are unknown at this time.

9. Specific Agency or Political Subdivisions Affected: Department of Human Resource Management, State Corporation Commission, Department of Medical Assistance Services

10. Technical Amendment Necessary: No

11. Other Comments: HB1075 is the companion bill to SB204.