

COMMONWEALTH OF VIRGINIA



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July 28, 2020

Administrative Letter 2020-05

TO: All Carriers Licensed to Write Accident and Sickness Insurance in Virginia, All Health Services Plans and Health Maintenance Organizations Licensed in Virginia, and All Interested Parties

RE: Implementation and Enforcement of Chapters 1080 and 1081 of the 2020 Acts of Assembly (House Bill 1251 and Senate Bill 172, respectively) (Balance Billing Legislation)

The purpose of this Administrative Letter is to provide guidance to health carriers regarding the reporting requirements described in Enactment Clauses 4 and 5 of the Balance Billing Legislation. These reports will inform the report the Bureau of Insurance will provide to the Chairmen of the House Committee on Labor and Commerce and the Senate Committee on Commerce and Labor annually beginning no later than December 1, 2021. Although statutory revisions from the Balance Billing Legislation become effective January 1, 2021, reporting and other requirements of the Balance Billing Legislation became effective July 1, 2020.

Enactment Clauses 4 and 5 require reporting by “health carriers” providing “individual or group health insurance coverage.” Refer to the definition of these terms in § 38.2-3438 of the Code of Virginia to determine the applicability of these reporting requirements to coverage offered. Coverage provided under a fully-insured managed care plan for the years in question is subject to the reporting requirements. Coverage subject to the reporting requirements does not include short-term limited duration or excepted benefit plans but does include fully-insured student health plan coverage provided by a managed care plan.

The Bureau will provide carriers with an Excel template detailing the data needed for completion of the reporting requirements. The template includes information the Bureau considers necessary to produce the report the Bureau must provide as required by Enactment Clause 6.

Carriers must submit the first reports by September 1, 2020. All information required to be reported will be required by September 1 of each year in order for the Bureau to produce its report by each December 1 beginning with December 1, 2021.

Any questions concerning this Administrative Letter may be addressed to:

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Cordially,

A handwritten signature in black ink, appearing to read "Scott A. White". The signature is fluid and cursive, with a large loop at the end.

Scott A. White
Commissioner of Insurance