

WEST VIRGINIA LEGISLATURE

2019 REGULAR SESSION

Introduced

Senate Bill 395

FISCAL
NOTE

BY SENATORS TARR, BOSO, MARONEY, SYPOLT, AND

TAKUBO

[Introduced January 23, 2019; Referred
to the Committee on Banking and Insurance; and then to
the Committee on Finance]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section,
 2 designated §5-16-6, relating to authorizing the West Virginia Public Employees Insurance
 3 Agency to establish base benefits insurance plans.

Be it enacted by the Legislature of West Virginia:

ARTICLE 16. WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE ACT.

§5-16-6. Authority to establish base benefits plans.

1 (a) The agency may establish base benefits associated with a bronze, silver, and gold
 2 insurance plan equivalent to their current plans. The agency, along with any other necessary state
 3 agencies, may determine the state's expense for each covered individual or family associated
 4 with each base benefits plan in 2019.

5 (b) The state may pay any West Virginia licensed provider of health insurance, providing
 6 the base benefits required by the board to offer these plans, not less than the base benefits
 7 demanding by the board. The qualifying insurance companies shall be subject to a 10 percent loss
 8 ratio. Any profits greater than 10 percent from policies sold to the state on behalf of the agency
 9 recipients shall go back into the plan as a combination of improved benefit, price, or refund
 10 offerings as determined by the insurance company.

11 (c) For plans years after 2019, the agency shall determine the state's expense to offer
 12 these base benefit plans. The price paid a qualified insurance company for these years shall be
 13 90 percent of the state's estimated expense to provide the same minimum benefits for that plan
 14 year, with the loss ratio remaining at 10 percent.

NOTE: The purpose of this bill is to authorize the West Virginia Public Insurance Agency to establish base benefits insurance plans.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.