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Exempt Action Proposed Regulation Agency Background Document

Agency name	Virginia Birth-Related Neurological Injury Compensation Program
Virginia Administrative Code (VAC) citation(s)	14 VAC10-10-160
Regulation title(s)	Insurance
Action title	Proposed Amendments to Section 160
Date this document prepared	September 27, 2017

While a regulatory action may be exempt from executive branch review pursuant to § 2.2-4002 or § 2.2-4006 of the Administrative Process Act (APA), the agency is still encouraged to provide information to the public on the Regulatory Town Hall using this form. Note: While posting this form on the Town Hall is optional, the agency must comply with requirements of The Virginia Register Act, Executive Orders 17 (2014) and 58 (1999), and the *Virginia Register Form, Style, and Procedure Manual*.

Brief summary

Please provide a brief summary of the proposed new regulation, proposed amendments to the existing regulation, or the regulation proposed to be repealed. Alert the reader to all substantive matters or changes. If applicable, generally describe the existing regulation.

14VAC10-10-160 provides information concerning other procedures for the Program's claims processing. More specifically, this provision requires an admitted claimant's parent or guardian to purchase private health insurance to provide coverage for expenses described in Virginia Code §38.2-5009(A)(1) that were, or are, incurred as a result of the admitted claimant's birth-related neurological injury for the admitted claimant's benefit; to utilize the primary insurer's in-network providers and facilities; to provide the Program with a copy of the applicable health insurance policy and identify a primary care physician for the admitted claimant before requesting benefits from the Program; and to submit requests for benefits for which an admitted claimant is eligible to the Program's Third Party Administrator or other appropriate staff person, as indicated on the Program's website. This regulation also explains that an admitted claimant's parent or legal guardian may request the Program's facilitator's assistance in obtaining a suitable health insurance policy for the admitted claimant if he or she has no pre-existing coverage for the admitted

claimant upon the admitted claimant's admission into the Program. Additionally, the regulation explains that, upon receipt of proof of payment, the Program will reimburse solely the portion of the premiums that is attributable to the admitted claimant's post-admission coverage and paid for by the admitted claimant's parent or legal guardian. This regulatory action implements the Governor's amendments to the 2017-2018 Virginia Budget Act which authorizes the Program to require that the parent or guardian of every person admitted into the Program obtain private health insurance to provide coverage for the person that is admitted into the Program so long as the Program reimburses, upon receiving proof of payment, the portion of the premiums that is attributable to the admitted claimant's post-admission coverage and paid for by the admitted claimant's parent or legal guardian.

Family impact

Please assess the impact of this regulatory action on the institution of the family and family stability including to what extent the regulatory action will: 1) strengthen or erode the authority and rights of parents in the education, nurturing, and supervision of their children; 2) encourage or discourage economic self-sufficiency, self-pride, and the assumption of responsibility for oneself, one's spouse, and one's children and/or elderly parents; 3) strengthen or erode the marital commitment; and 4) increase or decrease disposable family income.

This action does not change the authority or rights of parents in educating, nurturing, or supervising their children. Although this regulation concerns benefits which when received arguably decrease self-sufficiency and responsibility by providing an alternate source of funding for certain medical expenses, providing such compensation is one of the Program's statutory purposes. This regulation also helps to ensure the availability of healthcare for women and children in Virginia by keeping the cost of medical malpractice insurance premiums low and making it possible for obstetricians to practice in Virginia. This regulation should strengthen the marital commitment by reducing financial pressures on families with eligible children. This regulation should result in increased disposable family income because the Program's Fund would be used to pay for medical expenses compensable under the Virginia Birth-Related Neurological Injury Compensation Act, Virginia Code §38.2-5000, *et seq.*