



Virginia  
Regulatory  
Town Hall

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## Periodic Review / Retain Regulation Agency Background Document

<b>Agency name</b>	Virginia Department of Health
<b>Virginia Administrative Code (VAC) citation</b>	12VAC5-408
<b>Regulation title</b>	Certificate of Quality Assurance of Managed Care Health Insurance Plan Licensees Regulation
<b>Document preparation date</b>	December 3, 2007

This form is used when the agency has done a periodic review of a regulation and plans to retain the regulation without change. This information is required pursuant to Executive Orders 36 (2006) and 58 (1999).

### Legal basis

*Please identify the state and/or federal legal authority for the regulation, including (1) the most relevant law and/or regulation, and (2) promulgating entity, i.e., agency, board, or person.*

The "Certificate of Quality Assurance of Managed Care Health Insurance Plan Licensees Regulation" (MCHIP regulation) is promulgated by the Office of Licensure and Certification of the Virginia Department of Health, for the Board of Health, under the authority of Article 1.1 (§32.1-137.1 et seq.) of Chapter 5 of Title 32.1 of the *Code of Virginia* (Code). Section 32.1-137.1 defines managed care health insurance plan as "an arrangement for the delivery of health care in which a health carrier as defined in §38.2-5800 undertakes to provide, arrange for, pay for, or reimburse any costs of health care services for a covered person on a prepaid or insured basis. Section 32.1-137.3 mandates that the Board of Health shall promulgate regulations governing the quality of care provided to covered persons by a managed care health insurance plan licensee through its managed care health insurance plans. Existence of the MCHIP regulation is, therefore, mandated.

### Alternatives

*Please describe all viable alternatives for achieving the purpose of the existing regulation that have been considered as part of the periodic review process. Include an explanation of why such alternatives were rejected and why this regulation is the least burdensome alternative available for achieving the purpose of the regulation.*

The department is required to certify managed care health insurance plans licensees as defined in § 32.1-137.1 of the Code. The regulation is necessary to carry out the mandate of the law.

### Public comment

*Please summarize all comments received during the public comment period following the publication of the Notice of Periodic Review, and provide the agency response. Please indicate if an informal advisory group was formed for purposes of assisting in the periodic review.*

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No comments were received during the public comment period. No informal advisory group was formed for purposes of assisting in the periodic review.

### Effectiveness

*Please indicate whether the regulation meets the criteria set out in Executive Order 36, e.g., is necessary for the protection of public health, safety, and welfare, and is clearly written and easily understandable.*

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The MCHIP regulation is clearly written and understandable and meets the criteria set out in E.O. 36.

### Result

*Please state that the agency is recommending that the regulation should stay in effect without change.*

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Since no comment were received indicating an immediate need to amend the regulation, the department has determined that the regulation shall stay in effect without change.

### Family impact

*Please provide an analysis of the regulation's impact on the institution of the family and family stability.*

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There is no direct impact on the institution of the family or family stability.