REPORT OF THE
SPECIAL ADVISORY COMMISSION ON
MANDATED HEALTH INSURANCE BENEFITS ON

House Bill 178 (1990) and Section 38.2-3411 of the Code of Virginia Regarding the Mandated Coverage of Newborn Children

TO THE GOVERNOR AND
THE GENERAL ASSEMBLY OF VIRGINIA

HOUSE DOCUMENT NO. 36

COMMONWEALTH OF VIRGINIA
RICHMOND
1993

SENATE OF VIRGINIA

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December 30, 1992

To: The Honorable L. Douglas Wilder
Governor of Virginia
and
The General Assembly of Virginia

The report contained herein has been prepared pursuant to sections 9-298 and 9-299 of the Code of Virginia.

This report documents a study conducted by the Special Advisory Commission on Mandated Health Insurance Benefits to assess the social and financial impact and the medical efficacy of House Bill 178 (1990 Session) and section 38.2-3411 of the Code of Virginia regarding health insurance coverage for newborn children.

Respectfully submitted,

Clarence A. Holland, M.D., Chairman
Special Advisory Commission on
Mandated Health Insurance Benefits

Special Advisory Commission on
Mandated Health Insurance Benefits

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TABLE OF CONTENTS

INTRODUCTION

House Bill 178 (Appendix A), a proposed revision of Section 38.2-3411 of the Code of Virginia, was introduced in 1990 by Delegate Clifton A. Woodrum (D-Roanoke) at the request of Blue Cross and Blue Shield of Virginia (BCBSVA). House Bill 178 was referred to the House Committee on Corporations, Insurance and Banking (CIB) in 1990 and was carried over for consideration during the 1991 Session. In 1991, CIB took no action on the bill and referred it to the Special Advisory Commission on Mandated Health Insurance Benefits (Advisory Commission) for evaluation.

In addition to its review of House Bill 178, the Advisory Commission has concurrently evaluated § 38.2-3411 as part of its review of all existing mandated benefits pursuant to § 9-298. Comments regarding the existing statute and the proposed revision were received from five interested parties at a public hearing held on September 16, 1991 at 10:30 a.m. in Senate Room A of the General Assembly Building in Richmond. Written comments were received from numerous individuals and organizations. Additional comments were received at subsequent meetings as the Advisory Commission continued its deliberations. The Advisory Commission concluded its review on September 14, 1992.

SUMMARY OF THE EXISTING STATUTE AND THE PROPOSED REVISION

Section 38.2-3411 (formerly § 38.1-348.6) of the Code of Virginia was enacted in 1975. Section 38.2-3411 requires that accident and sickness benefits applicable to children under a family health insurance policy or subscription contract be payable with respect to a newly born child of the insured or subscriber from the moment of birth. This coverage must include the necessary care and treatment of medically diagnosed congenital defects and birth abnormalities. The policy or subscription contract may require notification of the birth of a child and payment of any necessary premium or fees within thirty-one days after the date of birth in order for coverage to continue beyond the thirty-one-day period.

House Bill 178 amends § 38.2-3411 to require that newborn children be covered only in accordance with the terms of the insured's contract for injury or sickness. The language specifically states that a medically diagnosed congenital defect or birth abnormality is to be considered an injury or sickness under the terms of a health insurance contract. The language further states that coverage for congenital defects and birth abnormalities must not be more restrictive than for any other injury or sickness. The effect of this language is the elimination of the interpretation of § 38.2-3411 that coverage for each and every service administered as necessary care and treatment of medically diagnosed congenital defects and birth

abnormalities is required regardless of whether those services are covered under the contract.

Information provided to the Advisory Commission indicated that at least one insurer has denied coverage for dental services administered in the treatment of a congenital defect or birth abnormality to an insured whose contract did not contain coverage for dental services.

Delegate John C. Watkins (R-Chesterfield), in a letter dated January 21, 1985 (Appendix B), requested a formal opinion of then Attorney General Gerald L. Baliles "as to whether or not Title 38.1 et seq., specifically § 38.1-348.5 and § 38.1-348.6, cover all necessary and resultant medical and dental care for a child born with craniofacial abnormalities including cleft lip and cleft palate." (The Code sections cited by the Attorney General are now § 38.2-3410 and § 38.2-3411, respectively.)

On February 4, 1985, Attorney General Baliles issued an opinion that the statutes in question do require full coverage for the treatment of craniofacial abnormalities, including cleft lip and cleft palate, in health insurance contracts. A copy of the Attorney General's opinion is attached as Appendix C.

In its comments filed with the Advisory Commission on August 28, 1991, BCBSVA asserts that the Attorney General's opinion is incorrect on the basis that "it both ignores the principal that accident and sickness insurance covers services, not conditions, and fails to take into account the explicit and implicit references in that Virginia Code section [§ 38.2-3411] to existing family coverage". BCBSVA further contends in its comments:

> It is Blue Cross and Blue Shield of Virginia's ("BCBSVA") position that only those services covered by the existing family insurance policy apply to a newborn child, and that accident and sickness insurance services not included (or excluded) by the terms of the family insurance policy are not covered.

BCBSVA asserts that the intent of § 38.2-3411 is to prohibit the exclusion of congenital defects and birth abnormalities from coverage and to ensure that coverage will begin at birth.

BIRTH ANOMALIES

Incidence Rates in Virginia

The following figures were reported in the Virginia Vital Statistics 1989 Annual Report of the Virginia Department of Health Center for Health Statistics:

1989	Cases	Percent of Births	Percent of Anomalies
Live births	96,538		
Birth anomalies	1,609	1.7%	
Cleft lip/palate	83	0.1%	5.2%

Source: Virginia Vital Statistics 1989 Annual Report

Of the 96,538 live births recorded in Virginia in 1989, 1,609 babies or 1.7 percent were born with one or more birth anomaly. Of those 1,609, 83 or 5.2 percent were born with a cleft lip and/or cleft palate. According to the Center for Health Statistics, the number of birth anomalies presented here is a conservative figure because of underreporting by physicians and the fact that most birth anomalies which are not immediately recognizable at birth go unreported.

Cleft Lip and Cleft Palate

The rate of incidence of cleft lip and/or cleft palate for the general population is approximately 1 in 750 (0.13%). Roughly 25% of the cases involve cleft lip only, 25% cleft palate only, and 50% both cleft lip and palate. Incidence varies by both race and sex. Males are more susceptible to cleft lip, with or without cleft palate, than females by a ratio of 2 to 1. The reverse is true for isolated cleft palate. Most estimates show Asians and American Indians to be the most susceptible, and Negroes to be the least susceptible, to cleft lip, with or without cleft palate. Incidence among Caucasians falls between the two. There is little variation among races in the rate of incidence of isolated cleft palate.

Although the cause of clefting has not been determined, most researchers agree that a combination of genetic factors and environmental teratogens, such as certain infections, diseases or drugs, are responsible for the development of clefts. The "theory of multifactorial inheritance" suggests that clefts occur when environmental teratogens interact with susceptible genotypes. A determination of genetic susceptibility is difficult because clefts are most likely not limited to the presence or absence of one gene. The theory of multifactorial inheritance suggests that a number of genes may contribute to clefting although they are only problematic when they occur in combination.

The treatment of cleft lip and cleft palate often requires services provided by dentists, orthodontists, prosthodontists, speech therapists, audiologists, and other specialists because of the complex nature of the condition. These specialists usually work together as a team in order to coordinate treatment. The degree of the malformation naturally determines the level of care

that must be provided. Surgery is required to repair the cleft initially; however, a high level of continuing care is often necessary during the development of the child. Dental care is a primary component of this care and is particularly important in speech development.

Ectodermal Dysplasia

Ectodermal dysplasia is defined by the National Foundation for Ectodermal Dysplasias (NFED) as "a disease in which there are abnormalities of two or more ectodermal structures, and which is caused by genetic factors." Ectodermal structures include skin, hair, nails, teeth, nerve cells, sweat glands, parts of the eye and ear, and parts of some other organs. These structures emerge from a layer of cells, the ectoderm, at an early stage of development. Ectodermal dysplasias are caused by defective genes which are either inherited or created (mutate) at the time of conception.

Treatment of ectodermal dysplasia, therefore, usually involves a team of specialists capable of addressing the variety of malformations present in a particular case. Dental work is often required in ectodermal dysplasia cases. Dentures normally are constructed to compensate for missing teeth and must be replaced periodically as the child grows. Orthodontics, bridgework, and a variety of reconstructive procedures are also common.

SECTION 38.2-3411 AND SIMILAR MANDATES IN OTHER STATES

During the 1970's, 43 states passed legislation which mandated health insurance coverage for newly born children. Five more states passed similar legislation in the 1980's. Only Michigan and Rhode Island do not have newborn children mandates. Of the 48 states that have such mandates only Kentucky has a "must offer" mandate.

At least seven states explicitly mandate coverage for the treatment of cleft lip/palate. Maryland and North Carolina passed legislation in 1982 and Idaho and Indiana in 1985. Since 1987, Colorado, Minnesota and Louisiana have enacted similar mandates. Some of these states have amended their newborn mandates to specifically include coverage for the treatment of cleft lip/palate, while others have created an additional statute to mandate this coverage.

The Advisory Commission is not aware of any state that has adopted legislation directly addressing the issue of coverage for the treatment of ectodermal dysplasia. States may not have taken action in this area due to the fact that ectodermal dysplasia is more rare than cleft lip/palate.

DIVISION OF CHILDREN'S SPECIALTY SERVICES OF THE DEPARTMENT OF HEALTH

The Division of Children's Specialty Services (DCSS) of the Department of Health relies on state and federal funding to provide a specialized medical-surgical care program that makes services for the treatment of handicapped children available to eligible citizens of the Commonwealth. For most of DCSS's programs, individuals must be under 21 years of age, a resident of Virginia, suffer from a covered condition, and meet financial eligibility requirements.

DCSS administers more than twenty treatment programs through central and satellite clinics located throughout the Commonwealth. These programs address a broad range of childhood handicapping conditions including congenital defects and birth abnormalities. The programs focus on "highly specialized services which are not generally or readily available within local communities and are of such a complicated and long-term nature that the cost would be prohibitive to low income families". DCSS programs include pediatric cardiology, cerebral palsy, hearing impairment, facial deformity (maxillofacial), primary care and pediatric surgery.

COSTS ASSOCIATED WITH § 38.2-3411

The State Corporation Commission's study of mandated benefits and mandated providers conducted pursuant to 1989 Senate Joint Resolution 215 included findings on the financial impact of the newborn children mandate. The results of the initial survey of insurers indicated that on average less than 0.5% of group premiums are attributed to newborn coverage. Insurers which based their responses on actual claims experience attributed on average 1% of individual and 2% of group premiums to newborn coverage. In addition, 97% of the insurers that responded to the initial survey indicated that they provided newborn coverage prior to the enactment of the mandate in 1975.

A BCBSVA study was conducted in 1989 to determine the costs associated with mandated benefits through the examination of BCBSVA's claims experience. The BCBSVA findings are as follows:

BCBSVA Expenditures
Newborn Children Coverage
(Individual and Group)

	1986	1987	1988
Total Claims (millions)	$6.1	$7.8	$10.7
Claims per Member Month	$0.78	$0.95	$1.13
Claims as Percent of Total	1.37%	1.50%	1.63%

Source: BCBSVA Mandated Benefits Study, October 1989

REVIEW CRITERIA

Social Impact

a. The extent to which the treatment or service is generally utilized by a significant portion of the population.

In 1989, 96,538 live births were recorded in Virginia of which 1,609 (1.7%) involved birth anomalies.

b. The extent to which insurance coverage for the treatment or service is already available.

Newborn children coverage, including coverage for the necessary treatment of medically diagnosed congenital defects and birth abnormalities, is currently required for family policies by § 38.2-3411 of the Code of Virginia. Coverage for dental services is generally available in Virginia. At least one insurer has denied claims for dental services rendered in the treatment of congenital defects or birth abnormalities when the health insurance contract does not include coverage for dental services.

c. If coverage is not generally available, the extent to which the lack of coverage results in persons being unable to obtain necessary health care treatments.

Coverage for newborn children must be included in family contracts. Dental coverage is also generally available. Those who do not have dental benefits, however, may be at risk of being denied coverage for certain dental services necessary in the treatment of some craniofacial abnormalities. The Division of Children's Specialty Services of the Department of Health provides services to those who meet certain financial eligibility requirements.

d. If the coverage is not generally available, the extent to which the lack of coverage results in unreasonable financial hardship on those persons needing treatment.

The dental expenses associated with some craniofacial abnormalities can be significant especially when treatment must continue until the child's mouth has fully developed and grcwth has stopped.

e. The level of public demand for the treatment or service.

It is difficult to measure the level of demand for newbor children coverage because it is widely available. The demand fc

coverage for dental services rendered in the course of treatment for congenital defects or birth abnormalities is equally difficult to determine because relatively few individuals require such services under such conditions. In 1989, 83 children were born in Virginia with cleft lip/palate according to Health Department statistics.

f. The level of public demand and the level of demand from providers for individual and group insurance coverage of the treatment or service.

Although it is difficult to measure public demand, it is reasonable to assume that many citizens of Virginia expect their health insurance to cover all medical care associated with newborn children, including congenital defects and birth abnormalities. The demand among providers is unknown although it is assumed that coverage for newborn children is considered desirable by health care providers. Furthermore, it is unlikely that the presence or absence of insurer reimbursement for dental services under the circumstances discussed in this analysis would impact providers significantly.

g. The level of interest of collective bargaining organizations in negotiating privately for inclusion of this coverage in group contracts.

Not known.

h. Any relevant findings of the state health planning agency or the appropriate health system agency relating to the social impact of the mandated benefit.

Not known.

Financial Impact

a. The extent to which the proposed insurance coverage would increase or decrease the cost of treatment or service over the next five years.

No evidence was provided to indicate that the cost of treatment would be significantly affected by the changes proposed in House Bill 178. It is likely that costs would be unaffected and that the revision would only impact a small portion of the newborn population.

b. The extent to which the proposed insurance coverage might increase the appropriate or inappropriate use of the treatment or service.

No evidence was presented that would indicate that House Bill 178 will have any significant affect on the appropriate or inappropriate use of treatments and services rendered in the care of congenital defects or birth abnormalities.

c. The extent to which the mandated treatment or service might serve as an alternative for more expensive or less expensive treatment or service.

Not applicable.

d. The extent to which the insurance coverage may affect the number and types of providers of the mandated treatment or service over the next five years.

No evidence was provided that would indicate that the number of providers of treatment to newborn children would be affected over the next five years by enactment of House Bill 178.

e. The extent to which insurance coverage might be expected to increase or decrease the administrative expenses of insurance companies and the premium and administrative expenses of policyholders.

Estimates on the cost of the existing newborn coverage requirements range from 0.5% to 2.0% of policy premium. In addition, BCBSVA estimated in its October 1989 Mandated Benefits Study that it had incurred approximately $100,000 in administrative expenses associated with the processing of newborn children claims in 1988. No evidence was presented, however, that would indicate that House Bill 178 would significantly affect insurance company administrative expenses or the premium and administrative expenses of policyholders.

With respect to requiring insurers who do not currently provide coverage for dental services rendered in the treatment of congenital defects and birth abnormalities, when coverage for such services is not provided to other family members covered under the policy or contract, BCBSVA indicated that although a specific dollar figure had not been developed, the cost would be relatively small.

f. The impact of coverage on the total cost of health care.

House Bill 178 should have an insignificant effect on the total cost of health care. The impact of § 38.2-3411 on the total cost of health care is unknown.

Medical Efficacy

a. The contribution of the benefit to the quality of patient care and the health status of the population, including the results of any research demonstrating the medical efficacy of the treatment or service compared to alternatives or not providing the treatment or service.

The newborn children mandate covers many services and treatments that range from routine care to highly advanced surgical procedures. The question of the efficacy of these services and treatments has not been raised by either proponents or opponents of House Bill 178 or of § 38.2-3411.

b. If the legislation seeks to mandate coverage of an additional class of practitioners:

1) The results of any professionally acceptable research demonstrating the medical results achieved by the additional class of practitioners relative to those already covered.

Not applicable.

2) The methods of the appropriate professional organization that assure clinical proficiency.

Not applicable.

Effects of Balancing the Social, Financial and Medical Efficacy Considerations

a. The extent to which the benefit addresses a medical or a broader social need and whether it is consistent with the role of health insurance.

The coverage of newborn children from the moment of birth for accident and sickness including congenital defects and birth abnormalities is consistent with the role of health insurance. This benefit allows a parent to obtain an extension of coverage for a newborn child for which they have had no prior opportunity to purchase health insurance coverage. Insurers operating in Virginia

share the risks involved in the extension of coverage to newborns equally because coverage must be provided regardless of the health of the child. House Bill 178 represents an interpretation of § 38.2-3411 that is narrower than that contained in the Attorney General's opinion dated February 4, 1985.

b. The extent to which the need for coverage outweighs the costs of mandating the benefit for all policyholders.

Coverage of newborn children allows for the administration of necessary medical treatment to many individuals at the earliest stage of development. Estimates of the costs associated with the care of newborn children range from less than 0.5 to 2.0 percent of the total family premium. House Bill 178 is expected to have little impact on insurer costs.

c. The extent to which the need for coverage may be solved by mandating the availability of the coverage as an option for policyholders.

If newborn children coverage was mandated as an optional benefit, an increase in the number of uninsured children in the Commonwealth could result. Group policyholders would no longer be required to provide such coverage to their certificate holders. In a situation where a group policyholder elected to forego newborn children coverage, certificate holders would not have the option to obtain newborn children coverage as an extension of their existing coverage. Since most Virginians obtain health insurance coverage through groups and the Commonwealth of Virginia is encouraging more employers to provide health insurance coverage for their employees, it is unlikely that a mandated offer of newborn children would be desirable.

RECOMMENDATIONS

The Special Advisory Commission on Mandated Health Insurance Benefits hereby recommends to the Governor and the General Assembly of Virginia that the proposed revision of § 38.2-3411 of the Code of Virginia regarding coverage for newborn children contained in House Bill 178 (1990) not be enacted. It is further recommended that § 38.2-3411 be revised to expressly limit coverage for newborn children to the terms of the family contract under which coverage is extended, except that coverage for medically necessary dental, oral surgical, and orthodontic services rendered in the treatment of cleft lip, cleft palate or ectodermal dysplasia must be provided (Appendix D contains suggested language).

CONCLUSION

The revision offered by the Advisory Commission is intended to eliminate the apparent ambiguity in the requirements of § 38.2-3411 and to ensure that certain fundamental services rendered in the treatment of certain congenital defects and birth abnormalities affecting the craniofacial area are covered. The revision also addresses the primary concern of some insurers that newborn coverage be limited to the terms and conditions of the family contract at the time of birth, with few exceptions.

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LD0863416

HOUSE BILL NO. 178

Offered January 15, 1990

A BILL to amend and reenact § 38.2-3411 of the Code of Virginia, relating to coverage of newly born children under health insurance policies.

Patrons–Woodrum (By Request) and Ball

Referred to the Committee on Corporations, Insurance and Banking

Be it enacted by the General Assembly of Virginia:

1. That § 38.2-3411 of the Code of Virginia is amended and reenacted as follows:

§ 38.2-3411. Coverage of newborn children required.–A. Each individual and group accident and sickness insurance policy or individual and group subscription contract providing coverage on an expense incurred basis that provides coverage for a family member of the insured or the subscriber shall, as to the family members' coverage, also provide that the accident and sickness insurance benefits applicable for children shall be payable with respect to a newly born child of the insured or subscriber from the moment of birth. ~~The coverage for newly born children shall consist of coverage of injury or sickness including the necessary care and treatment of medically diagnosed congenital defects and birth abnormalities.~~ *Newly born children shall be covered only in accordance with the terms of the insured's insurance policy or subscriber's contract for injury or sickness, and medically diagnosed congenital defects or birth abnormalities shall be considered an injury or sickness. Under such insurance policies or contracts, the limits on coverage of medically diagnosed congenital defects or birth abnormalities shall not be more restrictive than for any other injury or sickness.*

B. If payment of a specific premium or subscription fee is required to provide coverage for a child, the policy or subscription contract may require that notification of birth of a newly born child and payment of the required premium or fees shall be furnished to the insurer issuing the policy or corporation issuing the subscription contract within thirty-one days after the date of birth in order to have the coverage continue beyond the thirty-one-day period.

Official Use By Clerks	
Passed By The House of Delegates	**Passed By The Senate**
without amendment ☐	without amendment ☐
with amendment ☐	with amendment ☐
substitute ☐	substitute ☐
substitute w/amdt ☐	substitute w/amdt ☐
Date: _____	Date: _____
Clerk of the House of Delegates	Clerk of the Senate

COMMONWEALTH OF VIRGINIA
HOUSE OF DELEGATES
RICHMOND

JOHN WATKINS
[redacted]
SIXTY-FIFTH DISTRICT

COMMITTEE ASSIGNMENTS:
PRIVILEGES AND ELECTIONS
COUNTIES, CITIES AND TOWNS
AGRICULTURE

January 21, 1985

The Honorable Gerald L. Baliles
Attorney General of Virginia
Supreme Court Building
101 North Eighth Street
Richmond, Virginia 23219

Dear Mr. Baliles:

I am requesting your formal opinion as to whether or not Title 38.1 et seq., specifically §38.1-348.5 and §38.1-348.6, cover all necessary and resultant medical and dental care for a child born with craniofacial abnormalities including cleft lip and cleft palate.

While it seems logical to assume that cleft lip and cleft palate must be covered under §38.1-348.6 if medically diagnosed as a congenital birth defect, many insurance carriers refuse to cover the necessary orthodontic treatment, oral surgery, prosthetic replacement of teeth and speech therapy, claiming this is only covered under "optional dental" policies. As this dental component is a necessary treatment for cleft palate and cleft lip, it should be covered under the existing statutes.

I have been in contact with Frank Farrington, D.D.S., M.S., at the Facial Deformity Clinic at the Medical College of Virginia, and he informs me that a birth deformity in any other area except the oral area would be fully covered for all necessary and resultant treatment of the defect. It appears, therefore, that the present statute is not being evenly applied to all defects. Children who happen to have defects resulting in a need for orthodontic oral and maxillofacial treatment will not receive such treatment as the carrier will label it as "dental" work.

Your kind attention to this matter is greatly appreciated.

With kindest regards, I am

Sincerely yours,

John Watkins

JW:vsd

INSURANCE STATUTES — COVERAGE OF CONGENITAL BIRTH DEFECTS

February 4, 1985

Section 38.1-348.6 of the Code of Virginia pertains to requirements which must be included in certain group accident and sickness insurance policies, and § 38.1-348.5 pertains to the construction of the words "physician" and "doctor" in such policies. You have asked whether those Code provisions cover "all necessary and resultant medical and dental care for a child born with craniofacial abnormalities including cleft lip and cleft palate." I am assuming, for purposes of this Opinion, that such abnormalities have been medically diagnosed as congenital birth defects.[1]

Section 38.1-348.5 states, in pertinent part, that "the word 'physician' or 'doctor' when used in any accident or sickness policy, or other contract providing for the payment of medical, surgical, or similar services shall be construed to include a dentist performing such services within the scope of his professional license." Section 38.1-348.6 requires that the accident and sickness insurance policies therein described include coverage for newborn children for "injury or sickness including the *necessary care and treatment* of medically diagnosed congenital defects and birth abnormalities." (Emphasis added.)

I am informed that the treatment for cleft lip and cleft palate often includes surgical and orthodontic procedures performed by a dentist, as well as prosthetic replacement of teeth performed by a dentist. I am, therefore, of the opinion that §§ 38.1-348.5 and 38.1-348.6 require that the necessary resultant medical and dental care for a child born with craniofacial abnormalities, including cleft lip or cleft palate, must be covered by the insurance policies described therein.

Gerald L. Baliles
ATTORNEY GENERAL

[1] Cleft lip and cleft palate are listed as such defects in *Birth Defects Compendium*, (D. Bergsma, M.D., MPH, ed., 2d ed. 1973).

Added, 1987-2

RECOMMENDED REVISION OF § 38.2-3411 OF THE CODE OF VIRGINIA

§38.2-3411. Coverage of newborn children required. - A. Each individual and group accident and sickness insurance policy or individual and group subscription contract providing coverage on an expense incurred basis that provides coverage for a family member of the insured or the subscriber shall, as the family member's coverage, also provide that the accident and sickness insurance benefits applicable for children shall be payable with respect to a newly born child of the insured or subscriber from the moment of birth. ~~The coverage for newly born children shall consist of coverage of injury or sickness including the necessary care and treatment of medically diagnosed congenital defects and birth abnormalities.~~

B. Coverage for newly born children shall be identical to coverage provided to the insured or subscriber, except that, regardless of whether such coverage would otherwise be provided under the terms and conditions of the insurance policy or subscription contract:

1. coverage shall be provided for the necessary care and treatment of medically diagnosed congenital defects and birth abnormalities, with coverage limits no more restrictive than for any injury or sickness covered under the insurance policy or subscription contract; and

2. coverage shall be provided for inpatient and outpatient dental, oral surgical, and orthodontic services which are medically necessary for the treatment of medically diagnosed cleft lip, cleft palate or ectodermal dysplasia. Such coverage shall be subject to any deductible, cost-sharing, and policy or contract maximum provisions, provided that such deductible, cost-sharing and policy or contract maximum provisions are no more restrictive for such services than for any injury or sickness covered under the insurance policy or subscription contract.

BC. If payment of a specific premium or subscription fee is required to provide coverage for a child, the policy or subscription contract may require that notification of birth of a newly born child and payment of the required premium or fees shall be furnished to the insurer issuing the policy or corporation issuing the subscription contract within thirty-one days after the date of birth in order to have the coverage continue beyond the thirty-one day period.