REPORT OF THE SPECIAL ADVISORY
COMMISSION ON MANDATED HEALTH
INSURANCE BENEFITS

MANDATED COVERAGE FOR HEMOPHILIA AND CONGENITAL BLEEDING DISORDERS

(HOUSE BILL 2815 & SENATE BILL 859, 1997)

TO THE GOVERNOR AND
THE GENERAL ASSEMBLY OF VIRGINIA

HOUSE DOCUMENT NO. 34

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APPROPRIATIONS
HEALTH, WELFARE AND INSTITUTIONS
MILITIA AND POLICE

December 12, 1997

To: The Honorable George Allen
Governor of Virginia
and
The General Assembly of Virginia

The report contained herein has been prepared pursuant to §§ 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 (Advisory Commission) to assess the social and financial impact and the medical efficacy of House Bill 2815 and Senate Bill 859, regarding mandatory coverage for hemophilia and congenital bleeding disorders.

This report is respectfully submitted on behalf of the remaining members of the Advisory Commission.

Jean W. Cunningham
Member, Virginia House of Delegates
Special Advisory Commission on
Mandated Health Insurance Benefits

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INTRODUCTION

During the 1997 Session of the General Assembly, the House Committee on Corporations, Insurance and Banking referred House Bill 2815 to the Special Advisory Commission on Mandated Health Insurance Benefits (Advisory Commission). The Senate Committee on Commerce and Labor referred a companion bill (Senate Bill 859) with similar language to the Advisory Commission. House Bill 2815 was patroned by Delegate Frank D. Hargrove, Sr., and Senate Bill 859 was patroned by Senator Warren E. Barry.

The Advisory Commission held a hearing on July 29, 1997, in Richmond to receive public comments on House Bill 2815 and Senate Bill 859. Six speakers addressed the proposals. A representative from the United Virginia Chapter of the National Hemophilia Foundation and five concerned citizens spoke in favor of the bills. A representative of the Virginia Association of Health Maintenance Organizations (VAHMO) spoke in opposition to the bills. In addition, written comments in support of the bills were provided by representatives from the United Virginia Chapter of the National Hemophilia Foundation, Patient Services Incorporated, Swiger and Cay, and five concerned citizens. The VAHMO, the Virginia Chamber of Commerce, Trigon Blue Cross Blue Shield, and the Virginia Manufacturers Association submitted comments in opposition to the bills. On September 17, 1997, three additional concerned citizens spoke in support of the bills and a representative of VAHMO spoke in opposition.

The Advisory Commission concluded its review of House Bill 2815 and Senate Bill 859 on September 17, 1997.

SUMMARY OF PROPOSED LEGISLATION

House Bill 2815 and Senate Bill 859 require an accident and sickness insurance policy to provide coverage for hemophilia and congenital bleeding disorders. The bills apply to individual and group policies providing hospital, medical and surgical or major medical coverage on an expense-incurred basis and subscription contracts and health care plans provided by health maintenance organizations. The bills apply to policies, contracts and plans delivered or issued for delivery or renewal after July 1, 1997. The bills do not apply to short-term travel, accident only, limited or specified disease policies, or to short-term nonrenewable policies of less than six months.

The bills also require that benefits be provided for routine bleeding episodes associated with hemophilia and other congenital bleeding disorders. The benefits are to include coverage for the purchase of blood products and blood infusion equipment for home treatment of routine bleeding episodes when the home treatment program is under the supervision of the state approved hemophilia treatment center.

The bills define "blood infusion equipment" as including, but not being limited to, syringes and needles. "Blood product" as used in the bills includes but is not limited to Factor VII, Factor VIII, Factor IX and cryoprecipitate. "Hemophilia" is defined as meaning a lifelong hereditary bleeding disorder usually affecting males that results in prolonged bleeding primarily into joints and muscles. "Home treatment program" means a program where individuals or family members are trained to provide infusion therapy at home in order to achieve optimal health and cost effectiveness. "State-approved hemophilia treatment center" means a hospital or clinic which receives federal or state Maternal and Child Health Bureau, and/or Centers for Disease Control funds to conduct comprehensive care for persons with hemophilia and other bleeding disorders.

Language amending the bills was submitted on behalf of the patrons for consideration by the Advisory Commission. The amended bills require any insurer proposing to issue individual or group accident and sickness insurance policies providing hospital, medical and surgical, or major medical coverage on an expense-incurred basis; each corporation providing individual or group accident and sickness subscription contracts; and each health maintenance organization providing a health care plan for health care services to provide coverage for the users of blood products to include, but not limit coverage for hemophilia, accidents, illness, congenital or developed bleeding disorders, cancer, aplastic anemia, thallisemia, pernicious anemia, leukemia, acquired anemia, primary immune disorder and accident victims.

HEMOPHILIA

Hemophilia is an inherited disorder that is caused by the lack of certain blood clotting factors, deficiencies or dysfunction of the various cellular and protein components of the coagulation mechanism resulting in periodic bleeding episodes. Bleeding episodes may progress rapidly, resulting in a life-threatening situation if a replacement factor is not readily available. Hemophilia and related inherited bleeding disorders require the intravenous infusion of missing clotting factors to control bleeding episodes. Currently, clotting factors are prepared either from pooled blood and blood products or through recombinant DNA technology.

An article in the Canadian Medical Association Journal (July 1, 1995), entitled "Hemophilia and Von Willebrand's Disease: Diagnosis, Comprehensive Care and Assessment" noted that Hemophilia and Von Willebrand's disease are the most common congenital bleeding disorders. Hemophilia refers to X-linked bleeding disorders in which there is a deficiency (activity level of 35% or less) of either Factor VIII (hemophilia A, classic hemophilia) or Factor IX (hemophilia B, Christmas disease).

According to The National Hemophilia Foundation (NHF) publication, entitled "Hemophilia: Current Medical Management" (NHF), both hemophilia A (factor VIII deficiency) and B (factor IX deficiency) are inherited as X-linked recessive disorders. This generally means that women carry the trait and men have the clinical disorder. The important aspects of inheritance include the fact that all daughters of affected men will be carriers of the gene for hemophilia and that none of the affected man's sons will have hemophilia. There is a 50% chance that each of the sons of a carrier female will have hemophilia and a 50% chance that each of a carrier's daughters will be also carriers. It was noted that from one-third to one-half of individuals with hemophilia have no family history of the disorder, consistent with a substantial, spontaneous mutation rate. However, once hemophilia appears in a family, it is inherited in a typical X-linked recessive fashion.

The NHF reported that the treatment of hemophilia has undergone rapid and extensive changes over the last twenty years. The major changes in management of the condition include therapeutic replacement materials, surgery options, genetic evaluation, medically supervised home therapy, and the occurrence of a second chronic illness, human immunodeficiency virus (HIV) disease.

The NHF noted that both hemophilia A and B are characterized by bleeding into soft tissues and joint spaces. Bleeding into joints is the most common type of hemorrhage encountered by people with hemophilia. People with hemophilia bleed no more per minute than persons with normal levels of clotting factors, but bleed for prolonged periods of time. A life-threatening bleeding into the central nervous system can lead to death or disability for individuals with hemophilia. Joint bleeding typically affects the knees, elbows, ankles, shoulders and hips. The early signs and symptoms of joint bleeding include a sensation of bubbling, tingling, or crackling. It may result in an arthropathy characterized by deformity, warmth, erythema, loss of motion, and pain. The early treatment of joint hemarthroses is essential for the maintenance of joint health. The best prevention strategy for hemarthroses is building muscle strength through regular exercise and adequate factor replacement therapy.

The clinical signs of hemophilia may be manifested soon after birth with post-circumcision bleeding. Younger children typically have soft-tissue bleeding from trauma sustained in their efforts to crawl and walk. Older children and adolescents sustain joint bleeding as the primary manifestation of hemophilia. Mildly affected adolescents and adults may not come to medical attention until they are challenged by trauma, such as sports injuries, extensive dental procedures or surgery.

The NHF noted that individuals with hemophilia and their families often report identifiable symptom complexes which facilitate the diagnosis of bleeding episodes. The most serious form of bleeding is into the central nervous system. A history of a blow to the head followed by headache, vomiting, confusion, irritability, lethargy, drowsiness or diminished mental activity is highly suggestive of a central nervous system hemorrhage and requires immediate factor infusion. Any head trauma should be dealt with immediately and the patient should be seen by the hemophilia treatment center physician.

The NHF stated that the use of human plasma derived clotting factors to treat the vast majority of bleeding episodes has put patients at risk for infection with blood-borne viral agents. The clotting factor concentrates are typically manufactured from large plasma pools consisting of up to 20,000 donors, making the possibility of viral contamination significant. The HIV, types 1 and 2, and the agents of hepatitis have been of special concern to the hemophilia community. People with hemophilia were inadvertently exposed to HIV-1 through blood products prior to the mid-1980s. Less than half of all people with hemophilia in the United States are currently infected with HIV-1.

The Virginia Hemophilia Program is administered by the Children's Specialty Services Program (CSS) of the Virginia Department of Health. It was established in 1976 by the Code of Virginia, Section 32.1-89. CSS requires families to apply for services, be screened for financial eligibility, and pay an annual fee based on their income to attend clinics at state-sponsored Hemophilia Treatment Centers. The appropriated funds for the state Hemophilia Program cover the cost of blood factors, medications, laboratory and radiographic studies, hospitalization, outpatient professional services, and physical therapy. The program also provides the salaries, travel costs and office equipment and supplies for a nurse coordinator and clerk.

The Hemophilia Program of the Virginia Department of Health utilizes centers around the state for professional services and facilities. The centers for Virginia are located at the University of Virginia, Charlottesville, Virginia; Children's Hospital National Medical Center, Washington, D.C. (outpatient services in Fairfax, Virginia); Children's Hospital of the King's Daughters, Norfolk, Virginia; Children's Hospital, Richmond, Virginia; and the Medical College of Virginia, Richmond, Virginia.

The language of the bill appears to require coverage for home treatment when the centers previously mentioned supervise the individual's home treatment program. The coverage included in the proposed bills is considered necessary to prevent permanent joint and organ damage in addition to preserving life.

The NHF noted that medically supervised home infusion therapy has become an integral part of the comprehensive care of patients and families with congenital bleeding disorders. Home therapy permitted earlier infusion of bleeding episodes, resulted in more rapid resolution of hemorrhages, reduced pain and use of analgesics, and reduced the total number of infusions per bleeding episode and diminished joint destruction. Economic benefits are also significant when patients participate in home therapy. The costs associated with hospital and emergency rooms are reduced, as are transportation costs and lengthy waiting periods. Earlier treatment at home also avoids hospitalizations that would be required to treat and rehabilitate established hemarthroses.

SOCIAL IMPACT

The CDC reported that as of December 5, 1993, there were approximately 15,500 individuals with hemophilia A or B in the United States. The NHF stated there are approximately four to five individuals with hemophilia A for every one individual with hemophilia B. The Virginia Department of Health (VDH) estimated that as of February, 1997 there were 350 hemophiliacs living in Virginia.

An article in the American Journal of Epidemiology (1985) entitled "Acquired Immunodeficiency Syndrome Among Patients Attending Hemophilia Treatment Centers and Mortality Experience of Hemophiliacs in the United States" noted an improvement of care for hemophiliacs. The article stated that the use of clotting factor concentrates dramatically reduced hemophilia mortality rates during the 1970s. During 1972 and 1982, the median age of patients reported by hemophilia treatment centers increased from 11.5 to 20 years. It was noted that the prolonging advances that were experienced in the 1970s were eliminated in the 1980s as a result of the AIDS epidemic in the hemophilia community. In January 1985, Centers for Disease Control and Prevention (CDC) recommended that all blood products used for transfusion and for manufacturing of blood products be screened for HIV-1. Since May 1985, a two-phase screening procedure has been used by blood and plasma centers in the United States for all blood or blood products, to decrease the transmission of HIV through transfusion.

FINANCIAL IMPACT

Information provided by the NHF stated that the cost of care for hemophilia ranges from $40,000 to $100,000 per year for a severely affected adult even without the additional costs of treatment for HIV disease.

The VDH reported that 202 hemophiliacs are enrolled in the state Hemophilia Program. Approximately ninety percent (90%) of the patients have Medicaid, Medicare or private health insurance. The remaining ten percent (10%) have no insurance or no coverage for the blood factor.

INSURANCE COVERAGE

The State Corporation Commission Bureau of Insurance surveyed 50 of the top writers of accident and sickness insurance in Virginia regarding House Bill 2815 and Senate Bill 859. Thirty-five companies responded by May 2, 1997. Five indicated that they have little or no applicable health insurance business in force in Virginia and, therefore, could not provide the information requested. Of the 30 respondents that completed the survey, 22 reported that they currently provide the coverage required by House Bill 2815 and Senate Bill 859.

Respondents to the Bureau of Insurance survey provided cost figures that ranged from $.04 to $1.00 per month per standard individual policyholder and from $.08 to $1.00 per month per standard group certificate to provide the coverage required by the bills. Only three companies responded that coverage is available on an optional basis to individual and group policyholders.

In written comments on this subject, four companies responded that treatment for hemophilia and congenital bleeding disorders is covered if medically necessary and not experimental. The Guardian Life Insurance Company of America stated that coverage for hemophilia and related congenital bleeding disorders is covered as long as it is medically necessary. The company noted that home treatment of bleeding episodes associated with disorders may not be reflected in their costs since they are not aware of how often this situation occurs.

SIMILAR LEGISLATION IN OTHER STATES

According to information published by the National Association of Insurance Commissioners, only one state requires coverage for hemophilia. New Jersey requires insurers to provide benefits for the purchase of blood products and blood infusion equipment required for home treatment of routine bleeding episodes associated with hemophilia when the home treatment program is under the supervision of a state-approved hemophilia treatment center. The New Jersey statute states that "blood product" includes, but is not limited to, Factor VIII, Factor IX and cryoprecipitate, and "blood infusion equipment" includes, but is not limited to, syringes and needles.

REVIEW CRITERIA

SOCIAL IMPACT

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

The CDC reported that as of December 5, 1993, there were approximately 15,500 individuals with hemophilia A or B in the United States. The NHF stated there are approximately four to five individuals with hemophilia A for every one individual with hemophilia B. The Virginia Department of Health (VDH) estimated that as of February, 1997 there were 350 hemophiliacs living in Virginia.

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

The VDH reported that approximately ninety percent (90%) of the 202 patients enrolled in the state Hemophilia Program have Medicaid, Medicare or private health insurance. The remaining ten percent (10%) have no insurance or no coverage for the blood factor. Families must access financial counseling from comprehensive treatment centers and maintain adequate insurance coverage, often from more than one source, for hemophilia treatment.

A survey by the State Corporation Commission Bureau of Insurance found that 22 of 30 respondents (73%) currently provide treatment for hemophilia and congenital bleeding disorders. Three out of twenty-two companies reported that coverage is available on an optional basis to individual and group policyholders.

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.

Proponents stated that many insurers provide coverage that is very limited and gave examples of not being able to receive an adequate amount of factors or number of treatments.

Opponents stated in written comments that coverage for blood products appears to be generally available in the marketplace. One insurer indicated that most HMOs provide coverage for medically necessary blood products and blood infusion equipment. Coverage is available in some plans through a pharmacy benefit or a rider.

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.

Although coverage is available for some hemophilia patients, coverage varies widely among insurers. Information provided by the NHF stated that the cost of care for hemophilia ranges from $40,000 to $100,000 per year for a severely affected adult even without the additional costs of treatment for HIV.

Proponents stated that hemophilia is a rare condition, but without proper coverage, it is completely devastating to a family. They stated in some instances, families had to reduce their incomes in order to qualify for Medicaid. For some families, this means parental separation. One parent reported that during a six-month period, Medicaid paid between $40,000 to $60,000 to provide coverage for medical supplies.

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

The Virginia Department of Health (VDH) estimated that as of February, 1997 there were 350 hemophiliacs living in Virginia and reported that 202 hemophiliacs are enrolled in the state Hemophilia Program.

Nine speakers contended that insurance coverage is important to everyone, especially for the hemophiliac community. The medication, the blood clotting agent that helps ensure bleeding episodes are kept under control, is vital. Without it, permanent joint and organ damage can occur, and possibly death.

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

As with many health insurance benefits, many policyholders are not knowledgeable about the specific terms of their coverage until they are diagnosed with a disease or condition that requires a specific treatment.

Testimony and written comments from ten individuals and five organizations requested insurance coverage for hemophilia treatments.

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

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

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.*

The Advisory Commission is not aware of any findings of a state health planning agency or appropriate health system agency relating to the social impact of this proposal.

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 information was provided by either proponents or opponents that would suggest that the cost of treatments would increase or decrease because of insurance coverage.

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

The appropriate use of the treatment may increase if the insurance policy provided coverage for hemophilia and congenital bleeding disorders. According to the NHF, the treatment of hemophilia has undergone rapid and extensive changes over the last twenty years. The types of therapeutic replacement materials, surgery options, genetic evaluation, medically supervised home therapy, and the occurrence of a second chronic illness, have resulted in major changes in management of the condition. However, the number of individuals needing the treatment is limited to approximately 350 living in Virginia.

No information was provided regarding a possible increase in the inappropriate use of treatment in providing coverage for hemophilia and congenital bleeding disorders.

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

The NHF noted that medically supervised home infusion therapy has become an integral part of the comprehensive care of patients and families with congenital bleeding disorders. Economic benefits are also significant when patients participate in home therapy. The costs associated with hospital and emergency rooms are reduced, as are transportation costs and lengthy waiting periods. Earlier treatment at home also avoids hospitalizations that would be required to treat and rehabilitate established hemarthroses.

Opponents raised concern that House Bill 2815 and Senate Bill 859 seek to expand current coverage to include home treatment whether or not such treatment is needed or is cost-efficient. Some opponents believe that a physician should determine when and if home treatments are needed and if products and equipments are medically indicated. Some opponents also stated that the General Assembly should not mandate that home treatment must be covered even when it is merely more convenient for the patient and his/her family.

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.*

It is unlikely that the proposed mandate would significantly affect the number and types of providers of the mandated treatments because the number of insureds needing such treatment is relatively small.

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.*

Respondents to the Bureau of Insurance survey provided cost figures that ranged from $.04 to $1.00 per month per standard individual policyholder and from $.08 to $1.00 per month per standard group certificate to provide the coverage required by the bills. Only three companies responded that coverage is available on an optional basis to individual and group policyholders.

It is unlikely that this proposed coverage will significantly increase or decrease the administrative expenses of insurance companies and administrative expense of policyholders because it would apply to all policyholders equally and is not likely to result in a significant increase in claims submissions because of its limited scope. There would be some administrative costs for those insurers not currently providing the coverage.

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

The impact on the total cost of health care is not expected to be significant.

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.*

Opponents did not challenge the medical efficacy of the treatment of routine bleeding episodes associated with hemophilia and other congenital bleeding disorders.

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.*

House Bill 2815 and Senate Bill 859 address the medical need of treating individuals with hemophilia and congenital bleeding disorders. The benefit is consistent with the role of health insurance.

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

Proponents argued that there are more costs to the bleeding disorder community and to Virginia citizens without this coverage. There would be a loss of independence and productivity, greater physical suffering and potential death, increased dependency on government welfare, and a burden on Virginia taxpayers.

In its written comments, VAHMO opposed House Bill 2815 and Senate Bill 859 because relatively few people in the Commonwealth require health benefits for blood products and blood infusion equipment. Coverage, at least by HMOs, appears to be generally available for those who need the services. VAHMO stated that the high cost of coverage should not be borne by all insurance purchasers and consumers subject to state mandates.

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

In the case of group coverage, the decision whether to select the optional coverage or not would lie with the master contract holder and not the individual insureds.

One insurer testified that there is a significant need for this coverage by a small segment of the population and that the coverage should be a mandated option.

RECOMMENDATION

The Advisory Commission voted unanimously (8-Yes, 0-No) on September 17, 1997 to recommend that House Bill 2815 and Senate Bill 859 be enacted as proposed in the 1997 Session of the General Assembly. The need for the amended legislation that would have expanded the coverage to include accident victims, and other illnesses and bleeding disorders was questioned by Advisory Commission members, and the proponents indicated that the initial legislation met their requirements.

CONCLUSION

Information provided to the Advisory Commission during its review indicated that this mandate will apply to a small, definable group of people. The cost for providing coverage for hemophiliacs is not considered significant when compared to the cost of saving lives and reducing suffering. The Advisory Commission concluded that House Bill 2815 and Senate Bill 859 should be recommended as proposed by the patrons in the 1997 Session of the General Assembly.

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HOUSE BILL NO. 2815

Offered January 20, 1997

A BILL to amend and reenact § 38.2-4319 of the Code of Virginia and to amend the Code of Virginia by adding a section numbered 38.2-3418.3, relating to accident and sickness insurance; coverage for hemophilia and congenital bleeding disorders.

Patron—Hargrove

Referred to Committee on Corporations, Insurance and Banking

Be it enacted by the General Assembly of Virginia:

1. That § 38.2-4319 of the Code of Virginia is amended and reenacted and that the Code of Virginia is amended by adding a section numbered 38.2-3418.3 as follows:

§ 38.2-3418.3. Coverage for hemophilia and congenital bleeding disorders.

A. Notwithstanding the provisions of § 38.2-3419, each insurer proposing to issue individual or group accident and sickness insurance policies providing hospital, medical and surgical, or major medical coverage on an expense-incurred basis; each corporation providing individual or group accident and sickness subscription contracts; and each health maintenance organization providing a health care plan for health care services shall provide coverage for hemophilia and congenital bleeding disorders under such policy, contract or plan delivered, issued for delivery or renewed in this Commonwealth on and after July 1, 1997.

B. For the purpose of this section,:

"Blood infusion equipment" includes, but is not limited to, syringes and needles.

"Blood product" includes, but is not limited to Factor VII, Factor VIII, Factor IX, and cryoprecipitate.

"Hemophilia" means a lifelong hereditary bleeding disorder usually affecting males that results in prolonged bleeding primarily into joints and muscles.

"Home treatment program" means a program where individuals or family members are trained to provide infusion therapy at home in order to achieve optimal health and cost effectiveness.

"State-approved hemophilia treatment center" means a hospital or clinic which receives federal or state Maternal and Child Health Bureau, and/or Centers for Disease Control funds to conduct comprehensive care for persons with hemophilia and other bleeding disorders.

C. The benefits to be provided shall include coverage for expenses incurred in connection with the treatment of routine bleeding episodes associated with hemophilia and other congenital bleeding disorders. The benefits to be provided shall include coverage for the purchase of blood products and blood infusion equipment required for home treatment of routine bleeding episodes associated with hemophilia and other congenital bleeding disorders when the home treatment program is under the supervision of the state-approved hemophilia treatment center.

D. The provisions of this section shall not apply to short-term travel, accident only, limited or specified disease policies, or to short-term nonrenewable policies of not more than six months' duration.

§ 38.2-4319. Statutory construction and relationship to other laws.

A. No provisions of this title except this chapter and, insofar as they are not inconsistent with this chapter, §§ 38.2-100, 38.2-200, 38.2-210 through 38.2-213, 38.2-218 through 38.2-225, 38.2-229, 38.2-232, 38.2-316, 38.2-322, 38.2-400, 38.2-402 through 38.2-413, 38.2-500 through 38.2-515, 38.2-600 through 38.2-620, Chapter 9 (§ 38.2-900 et seq.) of this title, 38.2-1057, 38.2-1306.2 through 38.2-1309, Article 4 (§ 38.2-1317 et seq.) of Chapter 13, 38.2-1800 through 38.2-1836, 38.2-3401, 38.2-3405, 38.2-3405.1, 38.2-3407.2 through 38.2-3407.6, 38.2-3407.9, 38.2-3407.10, 38.2-3407.11, 38.2-3411.2, 38.2-3414.1, 38.2-3418.1, 38.2-3418.1:1, 38.2-3418.1:2, 38.2-3418.2, *38.2-3418.3,* 38.2-3419.1, 38.2-3431, 38.2-3432, 38.2-3433, 38.2-3500, 38.2-3514.1, 38.2-3514.2, 38.2-3525, 38.2-3542, Chapter 53 (§ 38.2-5300 et seq.) and Chapter 54 (§ 38.2-5400 et seq.) of this title shall be applicable to any health maintenance organization granted a license under this chapter. This chapter shall not apply to an insurer or health services plan licensed and regulated in conformance with the insurance laws or Chapter 42 (§ 38.2-4200 et seq.) of this title except with respect to the activities of

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its health maintenance organization.

B. Solicitation of enrollees by a licensed health maintenance organization or by its representatives shall not be construed to violate any provisions of law relating to solicitation or advertising by health professionals.

C. A licensed health maintenance organization shall not be deemed to be engaged in the unlawful practice of medicine. All health care providers associated with a health maintenance organization shall be subject to all provisions of law.

D. Notwithstanding the definition of an eligible employee as set forth in § 38.2-3431, a health maintenance organization providing health care plans pursuant to § 38.2-3431 shall not be required to offer coverage to or accept applications from an employee who does not reside within the health maintenance organization's service area.

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	

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SENATE BILL NO. 859

Offered January 14, 1997

A BILL to amend and reenact § 38.2-4319 of the Code of Virginia and to amend the Code of Virginia by adding a section numbered 38.2-3418.3, relating to accident and sickness insurance; coverage for hemophilia and congenital bleeding disorders.

Patron—Barry

Referred to the Committee on Commerce and Labor

Be it enacted by the General Assembly of Virginia:

1. That § 38.2-4319 of the Code of Virginia is amended and reenacted and that the Code of Virginia is amended by adding a section numbered 38.2-3418.3 as follows:

§ 38.2-3418.3. Coverage for hemophilia and congenital bleeding disorders.

A. Notwithstanding the provisions of § 38.2-3419, each insurer proposing to issue individual or group accident and sickness insurance policies providing hospital, medical and surgical, or major medical coverage on an expense-incurred basis; each corporation providing individual or group accident and sickness subscription contracts; and each health maintenance organization providing a health care plan for health care services shall provide coverage for hemophilia and congenital bleeding disorders under such policy, contract or plan delivered, issued for delivery or renewed in this Commonwealth on and after July 1, 1997.

B. For the purpose of this section,:

"Blood infusion equipment" includes, but is not limited to, syringes and needles.

"Blood product" includes, but is not limited to Factor VII, Factor VIII, Factor IX, and cryoprecipitate.

"Hemophilia" means a lifelong hereditary bleeding disorder usually affecting males that results in prolonged bleeding primarily into joints and muscles.

"Home treatment program" means a program where individuals or family members are trained to provide infusion therapy at home in order to achieve optimal health and cost effectiveness.

"State-approved hemophilia treatment center" means a hospital or clinic which receives federal or state Maternal and Child Health Bureau, and/or Centers for Disease Control funds to conduct comprehensive care for persons with hemophilia and other bleeding disorders.

C. The benefits to be provided shall include coverage for expenses incurred in connection with the treatment of routine bleeding episodes associated with hemophilia and other congenital bleeding disorders. The benefits to be provided shall include coverage for the purchase of blood products and blood infusion equipment required for home treatment of routine bleeding episodes associated with hemophilia and other congenital bleeding disorders when the home treatment program is under the supervision of the state-approved hemophilia treatment center.

D. The provisions of this section shall not apply to short-term travel, accident only, limited or specified disease policies, or to short-term nonrenewable policies of not more than six months' duration.

§ 38.2-4319. Statutory construction and relationship to other laws.

A. No provisions of this title except this chapter and, insofar as they are not inconsistent with this chapter, §§ 38.2-100, 38.2-200, 38.2-210 through 38.2-213, 38.2-218 through 38.2-225, 38.2-229, 38.2-232, 38.2-316, 38.2-322, 38.2-400, 38.2-402 through 38.2-413, 38.2-500 through 38.2-515, 38.2-600 through 38.2-620, Chapter 9 (§ 38.2-900 et seq.) of this title, 38.2-1057, 38.2-1306.2 through 38.2-1309, Article 4 (§ 38.2-1317 et seq.) of Chapter 13, 38.2-1800 through 38.2-1836, 38.2-3401, 38.2-3405, 38.2-3405.1, 38.2-3407.2 through 38.2-3407.6, 38.2-3407.9, 38.2-3407.10, 38.2-3407.11, 38.2-3411.2, 38.2-3414.1,. 38.2-3418.1, 38.2-3418.1:1, 38.2-3418.1:2, 38.2-3418.2, *38.2-3418.3,* 38.2-3419.1, 38.2-3431, 38.2-3432, 38.2-3433, 38.2-3500, 38.2-3514.1, 38.2-3514.2, 38.2-3525, 38.2-3542, Chapter 53 (§ 38.2-5300 et seq.) and Chapter 54 (§ 38.2-5400 et seq.) of this title shall be applicable to any health maintenance organization granted a license under this chapter. This chapter shall not apply to an insurer or health services plan licensed and regulated in conformance with the insurance laws or Chapter 42 (§ 38.2-4200 et seq.) of this title except with respect to the activities of its health maintenance organization.

B. Solicitation of enrollees by a licensed health maintenance organization or by its representatives shall not be construed to violate any provisions of law relating to solicitation or advertising by health professionals.

C. A licensed health maintenance organization shall not be deemed to be engaged in the unlawful practice of medicine. All health care providers associated with a health maintenance organization shall be subject to all provisions of law.

D. Notwithstanding the definition of an eligible employee as set forth in § 38.2-3431, a health maintenance organization providing health care plans pursuant to § 38.2-3431 shall not be required to offer coverage to or accept applications from an employee who does not reside within the health maintenance organization's service area.

Official Use By Clerks

Passed By The Senate		**Passed By The House of Delegates**	
without amendment	☐	without amendment	☐
with amendment	☐	with amendment	☐
substitute	☐	substitute	☐
substitute w/amdt	☐	substitute w/amdt	☐

Date: ______________ Date: ______________

______________ ______________

Clerk of the Senate Clerk of the House of Delegates

973784272

HOUSE BILL NO. 2815

Offered January 20, 1997

A Bill to amend and reenact State Code (S.C.)38.2-4319 of the Code of Virginia and to amend the Code of Virginia by adding a section numbered 38.2-3418.3, relating to accident and sickness insurance, for coverage of hemophilia, leukemia, congenital or developed bleeding disorders, cancer, aplastic anemia, thallisemia, pernicious anemia, acquired anemia, accident victims, those who suffer from primary immune disorder and all victims who require transfusions of whole blood, plasma, blood products and blood components.

Patron--Hargrove

Referred to Committee on Corporations, Insurance and Banking

Be it enacted by the General Assembly of Virginia:

1. That S.C. 38.2-4319 of the Code of Virginia is amended and reenacted and that the Code of Virginia is amended by adding a section numbered 38.2-3418.3 as follows:

S.C. 38.2 -3418.3 Coverage for hemophilia, accidents, illness, leukemia, primary immune disorder, congenital, or developed bleeding disorders , cancer, aplastic anemia, thallisemia, pernicious anemia, acquired anemia, and accident victims, all of whom require transfusions of blood products, whole blood, plasma and/or blood components.

A. Notwithstanding the provisions of S.C. 38.2-3419, each insurer proposing to issue individual or group accident and sickness insurance policies providing hospital, medical and surgical, or major medical coverage on an expense-incurred basis; each corporation providing individual or group accident and sickness subscription contracts; and each health maintenance organization providing a health care plan for health care services shall provide coverage for the users of blood products to include, but not limit coverage for hemophilia, accidents, illness, congenital, or developed bleeding disorders, cancer, aplastic anemia, thallisemia, pernicious anemia, leukemia, acquired anemia, primary immune disorder and accident victims, under such policy, contract or plan delivered, issued for delivery or renewed in this Commonwealth on and after July 1, 1997.

B. For the purpose of this section:

"Blood infusion equipment" includes, but is not limited to syringes and needles.

"Blood product" includes, but is not limited to, hemophilia factor VII, factor VIII, factor IX, cyropreciptate, whole blood, plasma, packed cells and other specialized blood products and components pertaining to the disease/injury involved.

"Hemophilia" means a lifelong hereditary bleeding disorder primarily affecting males and, more rarely, females, that results in prolonged bleeding primarily, but not limited to, joints and muscles. Other illnesses and injuries pertain to individual blood component and product shortages such as the lack of white cells, red cells and the replacement of large amounts of whole blood, due to surgery massive injuries involving auto accidents, work and ulcers, just to name a few. To explain all of the uses of blood and its components would take up significant space, but should not disclude any users of blood, blood, its components and blood products.

"Home treatment program" means a program where individuals or family members are trained to provide infusion therapy at home in order to achieve optimal health and cost effectiveness.

"Board Certified Specialists" are defined as physicians that specialize in the treatment of illnesses and accidents pertaining to the use of blood, blood components and blood products.

C. The benefits to be provided shall include coverage for expenses incurred in the connection of blood deficiencies and disorders.

D. The provisions of this section shall not apply to short-term travel, accident only, limited or specified disease policies, or to short-term nonrenewable insurance policies of not more than six months duration.

SC38.2-4319. Statutory construction and relationship to other laws.

A. No provisions of this title except this chapter and, insofar as they are not inconsistent with this chapter, SCSC38.2-100, 38.2-200, 38.2-210 through 38.2-213, 38.2-218 through 38.2-225, 38.2-229, 38.2-232, 38.2-316, 38.2-322, 38.2-400, 38.2-402 through 38.2-413, 38.2-500 through 38.2-515, 38.2-600 through 38.2-620. Chapter 9 (SC38.2-900 et seq.) of this title, 38.2-1057, 38.2-1306.2 through 38.2-1309. Article 4 (SC38.2-1317 et seq.) of Chapter 13, 38.2-1800 through 38.2-1836, 38.2-3401, 38.2-3405.1, 38.2-3407.2 through 38.2-3407.6, 38.2-3407.9, 38.2-3407.10, 38.2-3407.11, 38.2-3411.2, 38.2-3414.1, 38.2-3418.1, 38.2-3418.1:1, 38.2-3418.1:2, 38.2-3418.2, 38.2-3418.3, 38.2-3419.1, 38.2-3431, 38.2-3432, 38.2-3433, 38.2-3500, 38.2-3514.1, 38.2-3514.2, 38.2-3525, 38.2-3542, Chapter 53 (SC38.2-5300 et seq.) and Chapter 54 (SC 38.2-5400 et seq.) of this title shall be applicable to any health maintenance organization granted a license under this chapter. This chapter shall not apply to an insurer or health services plan licensed and regulated in conformance with the insurance laws or Chapter 42 (SC38.2-4200 et seq.) of this title except with respect to the activities of its health maintenance organization.

B. Solicitation of enrollees by a licensed health maintenance organization or by its representatives shall not be construed to violate any provisions of law relating to solicitation or advertising by health professionals.

C. A licensed health maintenance organization shall not be deemed to be engaged in the unlawful practice of medicine. All health cure providers associated with a health maintenance organization shall be subject to all provisions of the law.

D. Notwithstanding the definition of an eligible employee as set forth in SC38.2-3431, a health maintenance organization providing health care plans pursuant to SC38.2-3431 shall not be required to offer coverage to or accept applications from an employee who does not reside within the health maintenance organization's service area.

APPENDIX D

973612607

SENATE BILL NO. 859

Offered January 14, 1997

A Bill to amend and reenact State Code (S.C.)38.2-4319 of the Code of Virginia and to amend the Code of Virginia by adding a section numbered 38.2-3418.3, relating to accident and sickness insurance for coverage of hemophilia, leukemia, congenital or developed bleeding disorders, cancer, aplastic anemia, thallisemia, pernicious anemia, acquired anemia, accident victims, those who suffer from primary immune disorder and all victims who require transfusions of whole blood, plasma, blood products and blood components.

Patron--Barry

Referred to the Committee on Commerce and Labor

Be it enacted by the General Assembly of Virginia.

1. That S.C. 38.2-4319 of the Code of Virginia is amended and reenacted and that the Code of Virginia is amended by adding a section numbered 38.2-3418.3 as follows:

S.C. 38.2 -3418.3 Coverage for hemophilia, accidents, illness, leukemia, primary immune disorder, congenital, or developed bleeding disorders , cancer, aplastic anemia, thallisemia, pernicious anemia, acquired anemia, and accident victims, all of whom require transfusions of blood products, whole blood, plasma and/or blood components.

A. Notwithstanding the provisions of S.C. 38.2-3419, each insurer proposing to issue individual or group accident and sickness insurance policies providing hospital, medical and surgical, or major medical coverage on an expense-incurred basis; each corporation providing individual or group accident and sickness subscription contracts; and each health maintenance organization providing a health care plan for health care services shall provide coverage for the users of blood products to include, but not limit coverage for hemophilia, accidents, illness, congenital, or developed bleeding disorders, cancer, aplastic anemia, thallisemia, pernicious anemia, leukemia, acquired anemia, primary immune disorder and accident victims, under such policy, contract or plan delivered, issued for delivery or renewal in this Commonwealth on and after July 1, 1997.

B. For the purpose of this section:

"Blood infusion equipment" includes, but is not limited to syringes and needles.

"Blood product" includes, but is not limited to, hemophilia factor VII, factor VIII, factor IX, cyropreciptate, whole blood, plasma, packed cells and other specialized blood products pertaining to the disease/injury involved.

"Hemophilia" means a lifelong hereditary bleeding disorder primarily affecting males and, more rarely, females, that results in prolonged bleeding primarily, but not limited to, joints and muscles. Other illnesses and injuries pertain to individual blood component shortages such as the lack of white cells, red cells and the replacement of large amounts of whole blood, due to surgery massive injuries involving auto accidents, work and ulcers, just to name a few. To explain all of the uses of blood and its components would take up significant space, but should not disclude any users of blood, blood components and blood products.

"Home treatment program" means a program where individuals or family members are trained to provide infusion therapy at home in order to achieve optimal health and cost effectiveness.

"Board Certified Specialists" are defined as physicians that specialize in the treatment of illnesses and accidents pertaining to the use of blood, blood components and blood products.

C. The benefits to be provided shall include coverage for expenses incurred in the treatment of blood deficiencies and disorders.

D. The provisions of this section shall not apply to short-term travel, accident only, limited or specified disease policies, or to short-term nonrenewable insurance policies of not more than six months duration.

SC38.2-4319. Statutory construction and relationship to other laws.

A. No provisions of this title except this chapter and, insofar as they are not inconsistent with this chapter, SCSC38.2-100, 38.2-200, 38.2-210 through 38.2-213, 38.2-218 through 38.2-225, 38.2-229, 38.2-232, 38.2-316, 38.2-322, 38.2-400, 38.2-402 through 38.2-413, 38.2-500 through 38.2-515, 38.2-600 through 38.2-620. Chapter 9 (SC38.2-900 et seq.) of this title, 38.2-1057, 38.2-1306.2 through 38.2-1309. Article 4 (SC38.2-1317 et seq.) of Chapter 13, 38.2-1800 through 38.2-1836, 38.2-3401, 38.2-3405.1, 38.2-3407.2 through 38.2-3407.6, 38.2-3407.9, 38.2-3407.10, 38.2-3407.11, 38.2-3411.2, 38.2-3414.1, 38.2-3418.1, 38.2-3418.1:1, 38.2-3418.1:2, 38.2-3418.2, 38.2-3418.3, 38.2-3419.1, 38.2-3431, 38.2-3432, 38.2-3433, 38.2-3500, 38.2-3514.1, 38.2-3514.2, 38.2-3525, 38.2-3542, Chapter 53 (SC38.2-5300 et seq.) and Chapter 54 (SC 38.2-5400 et seq.) of this title shall be applicable to any health maintenance organization granted a license under this chapter. This chapter shall not apply to an insurer or health services plan licensed and regulated in conformance with the insurance laws or Chapter 42 (SC38.2-4200 et seq.) of this title except with respect to the activities of its health maintenance organization.

B. Solicitation of enrollees by a licensed health maintenance organization or by its representatives shall not be construed to violate any provisions of law relating to solicitation or advertising by health professionals.

C. A licensed health maintenance organization shall not be deemed to be engaged in the unlawful practice of medicine. All health cure providers associated with a health maintenance organization shall be subject to all provisions of the law.

D. Notwithstanding the definition of an eligible employee as set forth in SC38.2-3431, a health maintenance organization providing health care plans pursuant to SC38.2-3431 shall not be required to offer coverage to or accept applications from an employee who does not reside within the health maintenance organization's service area.