COMMONWEALTH OF VIRGINIA

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January 11, 2010

Administrative Letter 2010-01

To: All Insurers Licensed to Write Accident and Sickness Insurance in Virginia, and all Health Services Plans and Health Maintenance Organizations Licensed in Virginia

Re: 14VAC5-190-10 et seq.: Rules Governing the Reporting of Cost and Utilization Data Relating to Mandated Benefits and Mandated Providers Notification of Additional Reporting Requirement for the 2010 Reporting Period

The purpose of this letter is to alert carriers to an additional category of coverage for which cost and utilization information must be reported to the State Corporation Commission ("Commission"), on Form MB-1, due on or before May 1, 2011. Carriers are responsible for making necessary adjustments to their data capturing systems to ensure that Form MB-1 accurately reflects cost and utilization data relating to this additional reporting category for the 2010 reporting period (calendar year).

In accordance with the provisions of § 38.2-3418.15 of the Code of Virginia, insurers, health services plans and health maintenance organizations are required to offer and make available coverage for prosthetic devices and components. The requirements of this mandated offer apply to all insurance policies, contracts, and plans delivered, issued for delivery, reissued, or extended in Virginia on and after January 1, 2010, or at any time thereafter when any term of the policy, contract, or plan is changed or any premium adjustment is made. Carriers should review § 38.2-3418.15 of the Code of Virginia in its entirety for a complete description of the coverage requirements for this mandated offer.

Carriers are encouraged to review **all** requirements applicable to mandated benefits and mandated providers as well as the associated reporting requirements to determine the extent to which this new reporting requirement affects their organization and to ensure compliance with all existing mandated benefit and provider requirements.

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In order to avoid confusion and to facilitate the capturing of appropriate data relating to the coverage requirement for prosthetic devices and components, the carrier is directed to consult the 2010 listing of CPT and ICD-9-CM codes.

Please refer any questions regarding this matter to:

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Cordially,

Alfred W. Gross

Commissioner of Insurance

AWG/ds