

**SENATE APPROPRIATIONS COMMITTEE
FISCAL NOTE**

BILL NO. Senate Bill 1235

PRINTER NO. 1649

AMOUNT

No Fiscal Impact

FUND

General Fund

DATE INTRODUCED

May 18, 2022

PRIME SPONSOR

Senator DiSanto

DESCRIPTION

Senate Bill 1235 amends the Insurance Company Law of 1921 preventing the Department of Human Services (DHS) from utilizing bidding or service zones that limit a health service corporation or a hospital plan corporation contractor from submitting a bid for the Children’s Health Insurance Program (CHIP).

The bill provides that DHS’ competitive procurement process to solicit bids and award contracts may not develop or utilize service zones that limit a health service corporation or hospital plan corporation contractor from submitting a bid.

If a health service corporation or hospital plan corporation is only able to service certain counties, DHS shall solicit and accept bids for the counties in which the corporation provides services and may not exclude the corporation from submitting a bid to service a county.

The bill clarifies the requirement that a health service corporation or hospital plan corporation which submits a bid to participate in CHIP be for those counties in which the corporation is permitted to offer its products.

This act shall take effect immediately.

FISCAL IMPACT:

Enactment of this legislation will have no fiscal impact on Commonwealth funds.