

# Virginia Healthcare Freedom Act

## AN ACT

Providing for the rights of individuals to purchase private health care insurance; and prohibiting certain governmental action.

The General Assembly of the Commonwealth of Virginia hereby enacts as follows:

### **Section 1. Short title.**

This act shall be known and may be cited as the Virginia Healthcare Freedom Act.

### **Section 2. Definitions.**

The following words and phrases when used in this act shall have the meanings given to them in this section unless the context clearly indicates otherwise:

**(1) "Commonwealth agency."** The Commonwealth, including the Executive Department, Commonwealth departments and boards and commissions; an independent administrative department, board and commission; or a public official thereof, acting under the color of State law.

**(2) "Direct purchase."** Payment for lawful health care services without a public or private third party, not including an employer, paying for any portion of the service.

**(3) "Health care system."** Any public or private entity whose function or purpose is the management of, processing of, or enrollment of individuals for or payment for, in full or in part, health care services, health care data or health care information for its participants.

**(4) "Penalties or fines."** Any civil or criminal penalty or fine, tax, salary or wage withholding or surcharge, or any named fee with a similar effect established by law or rule by a government-established, government-created or governmentcontrolled agency that is used to punish or discourage the exercise of rights protected under this section.

### **Section 3. Individual rights.**

The people shall have the right to enter into private contracts with health care providers for health care services and to purchase private health care coverage. The legislature may not require any individual to participate in any health care system or plan, nor may it impose a penalty or fine, of any type, for choosing to obtain or decline health care coverage or for participation in any particular health care system or plan.

#### **Section 4. Freedom of choice in health care.**

**(a) Prohibited actions.**--To preserve the freedom of the citizens of the Commonwealth of Virginia to provide for their health care:

(1) A law or rule shall not compel, through penalties and fines, directly or indirectly, any individual, employer or health care provider to participate in any health care system.

(2) An individual or employer may pay directly for lawful health care services and shall not be required to pay penalties or fines for paying directly for lawful health care services. A health care provider may accept direct payment for lawful health care services and shall not be required to pay penalties or fines for accepting direct payment from a individual or employer for lawful health care services.

**(b) Private health care insurance.**--Subject to reasonable and necessary rules that do not substantially limit an individual's options, the purchase or sale of health insurance in private health care systems shall not be prohibited by rule or law.

**(c) Interpretation.**--This section does not affect:

(1) Which health care services a health care provider or hospital is required to perform or provide.

(2) Which health care services are permitted by law.

(3) The terms or conditions of any health care system to the extent that those terms and conditions do not have the effect of punishing an individual or employer for paying directly for lawful health care services or a health care provider or hospital for accepting direct payment from an individual or employer for lawful health care services.

#### **Section 5. Participation in related laws.**

Neither the Governor nor the Department of Health, the Department of Public Welfare or any other Commonwealth agency shall participate in the compliance with any Federal law, regulation or policy that would compromise the freedom of choice in health care of any resident of this Commonwealth.

#### **Section 6. Effective date.**

This act shall take effect immediately.