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# VIRGINIA STATE BUDGET

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2004 Special Session I

## Budget Bill - HB5001 (Chapter 4)

Bill Order » Office of Administration » Item 87

Administration of Health Insurance

Item 87	First Year - FY2005	Second Year - FY2006
<b>Personnel Management Services (70400)</b>	<b>\$135,000,000</b>	<b>\$135,000,000</b>
Medical/Hospitalization Benefits - Local (70407)	\$135,000,000	\$135,000,000
Fund Sources:		
Enterprise	\$135,000,000	\$135,000,000

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Authority: § [2.2-2818](#), Code of Virginia.

A. The amounts for Medical/Hospitalization Benefits - State are from all funds appropriated to state agencies for this purpose. It is an internal service fund for appropriation purposes. Revenues will be paid from state agencies to the Department of Human Resource Management.

B. The amounts for Medical/Hospitalization Benefits - Local include estimated revenues received from localities for the local choice health benefits program.

C.1. In the event that the total of all eligible claims exceeds the balance in the state employee medical reimbursement account, there is hereby appropriated a sum sufficient from the general fund of the state treasury to enable the payment of such eligible claims.

2. The term "employee medical reimbursement account" means the account administered by the Department of Human Resource Management pursuant to § 125 of the Internal Revenue Code in connection with the health insurance program for state employees (§ [2.2-2818](#), Code of Virginia).

D. No amounts shall be obligated or expended from the reserved component of the Employee Health Insurance Fund unless prior approval is obtained from the Secretary of Finance and the Secretary of Administration. The Department of Planning and Budget shall notify the Chairmen of the House Appropriations and Senate Finance Committees of any disbursements made from or commitments against the reserved component.