F I S C A L I M P A C T R E P O R T

SPONSOR Armstrong **ORIGINAL DATE** 2/5/16 **LAST UPDATED** **HB** 158

SHORT TITLE Additional Medicaid Coverages **SB**

ANALYST Chilton

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY16	**FY17**		
	None		

(Parenthesis ( ) Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY16	FY17	FY18	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		Uncertain	Uncertain	Uncertain	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

CONFLICTS with HB 304

SOURCES OF INFORMATION
LFC Files

Responses Received From
Human Services Department (HSD)

SUMMARY

Synopsis of Bill

HB 158 would require that the secretary of HSD make rules to provide a specified list of reproductive services to applicants and re-applicants whose eligibility would be determined on the same basis as Medicaid determines eligibility for pregnancy services (i.e., up to 250% of federal poverty level [FPL]).

The list of services to be provided include the following:

1) Contraceptive drugs and devices, prescription and non-prescription, including
    a. All Federal Drug Administration (FDA)-approved contraceptive agents that are not considered to be therapeutically equivalent, one with another, and
    b. Those contraceptive agents that are considered therapeutically equivalent by the FDA, but where the prescribing health care provider deems the agent preferred by the agency or the Medicaid managed care organization to be medically contraindicated.
2) Education and counseling regarding contraception
3) Voluntary sterilization
4) Diagnosis and treatment for reproductive organ conditions such as breast and cervical cancer, including Pap smears and follow-up
5) Prenatal care
6) Pregnancy-related services including pre-partum, intrapartum, and post-partum care
7) Follow-up services related to all of the above
8) Diagnosis and treatment of sexually-transmitted infections, including HIV
9) Co-insurance and co-payments would not be required for the following services: contraceptive drugs and devices, breast and cervical cancer screening, prenatal care, and counseling with respect to sexually-transmitted infections

FISCAL IMPLICATIONS

Because certain services would be added to the list of those provided to individuals eligible for Family Planning Services (such services as breast and cervical cancer screening, diagnostic and treatment of conditions of the female reproductive system such as annual pelvic examinations and pap smears, and follow-up services regarding the other services provided, there is likely to be an impact on the amount of Medicaid funds required for these services. As at least 70% of those costs are borne by the federal government as FMAP, the additional requirement for state General Fund dollars is less than one third of the total, although it is difficult to calculate that total.

SIGNIFICANT ISSUES

Medicaid currently covers Family Planning Services for individuals below 250% of the federal poverty level, the same level as is the requirement for pregnancy-related services. HSD notes this is "already a category of eligibility that is specific to family planning services. Family Planning is an optional Medicaid category that is limited to certain contraceptive and gynecological services, and which does not meet the minimum essential coverage requirements for health insurance… HB 304 would create a state mandate that HSD continue operating the Medicaid Family Planning program and eliminate the ability of HSD to modify Medicaid eligibility coverage," but would not mandate changes to the program as it is currently configured except to add some of the services noted above.

HSD further states "All women who are covered in the Medicaid pregnancy-related coverage category are automatically screened for full Medicaid at the end of their postpartum period. If they do not qualify for full Medicaid, they are automatically placed on the Family Planning program."

CONFLICTS with HB 304, which would require that only contraceptive drugs and devices, but not also diagnostic and treatment services for breast and cervical cancer (including pelvic exams and pap smears), follow-up services related to all of these and to contraceptive drugs and devices, and sexually transmitted infection diagnosis and treatment, be covered for all individuals whose income was no higher than 250% of the FPL.

LAC/al