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FISCAL IMPACT REPORT

SPONSOR: Stewart DATE TYPED: 02/18/01 HB 59/aHBIC
 SHORT TITLE: Prescriptive Contraceptive Drug Coverage SB _____
 ANALYST: Valenzuela

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
		NFI			

(Parenthesis () Indicate Expenditure Decreases)

SOURCE OF INFORMATION

Public Regulation Commission

SUMMARY

Synopsis of HBIC Amendment

The House Business & Industry Committee adds an exclusion for a religious entity purchasing individual or group health coverage. They are exempted under the amendment from having to comply with the requirement to include contraceptive drugs or devices in the health care they purchase.

Synopsis of Original Bill

HB 59 require that health insurers provide coverage for prescription drugs or devices approved by the Food and Drug Administration.

FISCAL IMPLICATIONS

There is no fiscal impact to the State since the plans for State employees, retirees and public school employees already cover prescription contraceptives.

ADMINISTRATIVE IMPLICATIONS

Minimal. The Division of Insurance already reviews all health plans operating in the State. If this bill passes some companies may have to refile.

OTHER SUBSTANTIVE ISSUES

There is no consensus about how much this will cost the insurance companies and ultimately the premium payers. The cost of contraceptives is less expensive than abortions or deliveries.

This bill may create a problem for religious employers whose beliefs are in conflict with birth control.

The health insurance industry is against mandated benefits.

Since some current plans authorize payment for Viagra for males, questions are often raised about the need to authorize payment.

DW/ar