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# FISCAL IMPACT REPORT

SPONSOR:	Нι	rt DATE TYPED:	02/	11/02	НВ				
SHORT TITLI	E:	Lower Age for Medicaid-Funded Sterili	izatio	n	SB	68/aSPAC			
				ANALY	YST:	Dunbar			
APPROPRIATION									

Appropriation Contained		_		Recurring or Non-Rec	Fund Affected
FY02	FY03	FY02	FY03		
		N	FI		

(Parenthesis ( ) Indicate Expenditure Decreases)

# **SOURCES OF INFORMATION**

Responses Received Human Services Department (HSD)

### **SUMMARY**

# **Synopsis of SPAC Amendment**

The Senate Public Affairs Committee amendment provides for medically necessary sterilizations through the Medicaid program for individuals who are of the age of majority, capable of giving informed consent and otherwise qualified to receive Medicaid assistance. The amendment also provides for HSD to adopt and promulgate rules pertaining to the provision of informed consent. The amendment strikes language pertaining to "emancipated or un-emancipated minor".

# Synopsis of Original Bill

HB 68 reduces the age limit for Medicaid funding of sterilization procedures. The bill does not contain an appropriation. The bill provides for Medicaid coverage of medically necessary sterilization for a Medicaid recipient who is an emancipated minor or un-emancipated minor who has parental consent.

### Significant Issues

HSD notes that current Medicaid policy requires the client to be age twenty-one (21) or over in order to receive medically necessary sterilization services. Additionally, HSD indicates that Medicaid

### Senate Bill 68/aSPAC -- Page 2

eligible emancipated minors, or un-emancipated minors with parental consent, may already access other Medicaid covered services if they are medically necessary.

### FISCAL IMPLICATIONS

There is no appropriation contained in this bill.

However, HSD does not anticipate a budget impact. The department indicates that it is unlikely that there will be large numbers of clients under twenty-one (21) utilizing these services. Any additional sterilization costs incurred could easily be offset by current costs associated with prescription and non-prescription contraceptive services, or costs associated with pregnancy, delivery and newborn related medical care.

HSD states that it is uncertain that there will be matching funds for sterilizations imposed by state law and not otherwise authorized by federal Medicaid law. It would mean that only state funds could be used.

#### OTHER SUBSTANTIVE ISSUES

Current Medicaid reproductive health services policy requires that the client not be mentally incompetent or institutionalized, and requires a detailed process that must be followed concerning informed consent. These provisions should remain in this bill.

There is an issue as to whether an un-emancipated person should have to get consent from a parent before obtaining sterilization, not unlike the issues posed for minor women seeking abortions. In addition, HSD notes that there needs to be provisions in the statute, such as there exist in current Medicaid regulation that the un-emancipated or emancipated person not be mentally incompetent or institutionalized, along with a detailed process for informed consent. Moreover, does sterilization apply to both men and women and what is entailed by the term "sterilization?" Is it limited to surgical procedures or can oral medications be included?

#### **ALTERNATIVES**

HSD suggests that it would be more appropriate to make such a change through Medicaid regulation rather than statute.

### **AMENDMENTS**

Sponsor should consider including a provision on mental competency and institutionalization and a detailed provision on informed consent.

BD/njw:ar