

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6972**

**BILL NUMBER: SB 335**

**NOTE PREPARED: Jan 3, 2013**

**BILL AMENDED:**

**SUBJECT:** Insurance Coverage of Abortions.

**FIRST AUTHOR:** Sen. Kruse

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED: X GENERAL  
DEDICATED  
FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill prohibits a state employee health plan, an individual or group policy of accident and sickness insurance, and a group or individual contract with a health maintenance organization from including coverage for abortion unless the abortion is necessary to prevent a substantial permanent impairment of the life or physical health of the pregnant woman. The bill allows an insurer or health maintenance organization to offer a rider for abortion services if the insurer or health maintenance organization charges an additional premium for the rider.

**Effective Date:** July 1, 2013.

**Explanation of State Expenditures:** The State Personnel Department reports the state employee health plan currently does not cover elective abortions. Prohibiting the state employee health plan from covering elective abortions is expected to have no fiscal impact.

**Explanation of State Revenues:** *Insurance Premium Tax:* This bill may result in the sale of additional riders to cover elective abortions. To the extent this occurs, the state could receive additional revenue from taxes paid on insurance premiums. Revenue received from the insurance premium tax is distributed to the General Fund. Actual increases in state revenue from insurance premiums are indeterminable.

For FY 2012, the insurance premium tax generated approximately \$203 M in revenue.

**Explanation of Local Expenditures:** Local units and school corporations that purchase private group insurance could also be affected by the prohibition in the bill, if it changes local costs to purchase private group

insurance plans. The extent that any cost difference would be borne by local units or school corporations instead of participating individuals is unknown.

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:** Local government units and school corporations that purchase private group insurance.

**Information Sources:** Christy Tittle, Indiana State Personnel Department.

**Fiscal Analyst:** Bill Brumbach, 232-9559.