

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6778

BILL NUMBER: SB 414

NOTE PREPARED: Jan 4, 2013

BILL AMENDED:

SUBJECT: Insurance Coverage for Breast Ultrasound Exams.

FIRST AUTHOR: Sen. Miller Patricia

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill requires state employee health plans, policies of accident and sickness insurance, and individual and group health maintenance contracts to provide coverage for an annual ultrasound examination for certain women who have been determined to have high breast density.

The bill also requires the Medical Licensing Board to adopt rules or protocol concerning annual screening or diagnostic tests of certain women who have been determined to have high breast density.

Effective Date: July 1, 2013.

Explanation of State Expenditures: *Summary:* The coverage requirement in the bill is expected to have no fiscal impact relating to the state employee health plan.

The bill is expected to increase the workload of the Medical Licensing Board and the Professional Licensing Agency to adopt rules regarding annual high breast density examinations. Increases in workload are expected to be minimal.

Additional Information:

State Employee Health Plan: This bill requires the state employee health plan to provide coverage for ultrasound examinations for covered female employees over the age of 40 who have high breast density. The State Personnel Department reports that the state employee health plan currently provides coverage for breast

ultrasound exams, and this provision is therefore expected to result in no fiscal impact.

Medical Licensing Board: The Medical Licensing Board would likely be able to adopt the necessary rules within the course of the regularly scheduled meetings of the Board. The Board is scheduled to meet 11 times during CY 2013. Professional Licensing Agency staff may require additional administrative time to develop and revise the potential rules on behalf of the Board.

Explanation of State Revenues: The requirements of the bill will also apply to health insurance policies offered in the state. As a result, insurance companies that offer health insurance policies will be required to provide coverage for breast ultrasound examinations for women over the age of 40 who have high density breasts. The inclusion of this benefit may increase insurance premiums in the state. To the extent this occurs, the state may 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 collected approximately \$203 M in revenue.

Explanation of Local Expenditures: Local government units and school corporations that purchase private group insurance could also be affected by the provisions of this bill. If this bill increases local costs to purchase private group insurance plans, it is not known how much of the increased costs will be borne by the local government unit and by the participating individuals.

Explanation of Local Revenues:

State Agencies Affected: All.

Local Agencies Affected: School corporations; Local units of government.

Information Sources: Christy Tittle, State Personnel Department.

Fiscal Analyst: Bill Brumbach, 232-9559; Chris Baker, 232-9581.