

Department of Planning and Budget 2010 Fiscal Impact Statement

1. Bill Number: HB303

House of Origin X Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron: O'Bannon

3. Committee: Commerce and Labor

4. Title: **Health insurance; mandated coverage for autism spectrum disorder**

5. Summary: Requires health insurers, health care subscription plans, and health maintenance organizations to provide coverage for the diagnosis and treatment of autism spectrum disorder in individuals from the date of diagnosis until they reach 10 years of age. This requirement does not apply to individual or small group policies, contracts, or plans, and will not apply to the state employees' health insurance plan until July 1, 2015.

6. Fiscal Impact Estimates: Preliminary

7.

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2010	\$1,399,593	N/A	NGF (Local)
2011	\$1,399,593	N/A	NGF (Local)
2012	\$1,399,593	N/A	NGF (Local)
2013	\$1,399,593	N/A	NGF (Local)
2014	\$1,399,593	N/A	NGF (Local)
2015	\$1,399,593	N/A	NGF (Local)
2016	\$1,399,593	N/A	NGF (Local)
2016	\$2,469,464	N/A	GF
2016	\$2,017,286	N/A	NGF
2016	\$1,056,684	N/A	State Employee Share
2016	\$484,516	N/A	Retired State Employee Share

7. Budget Amendment Necessary: Yes, an addition of nongeneral fund appropriation of \$1,399,593 each year in Item 76 of HB 30 will be needed. See fiscal implications for more details.

8. Fiscal Implications: The actuary for the state employee health insurance plan and the Local Choice plan administered by the Department of Human Resource Management indicates that this bill will increase cost by approximately 0.79 percent for the state employee plan and 0.80 percent for the Local Choice program.

The bill makes a provision to delay implementation until FY 2016 for the state employee plan and as a result, the estimated cost of \$2.5 million general fund listed in the table above would not begin until later. However, the bill makes no provision to delay implementation for the

Local Choice program and as such, the local governments enrolled in this plan will experience an increase in costs. Since this program is administered by the state and requires a nongeneral fund appropriation to operate, a budget amendment will be required. In addition to local governments in the Local Choice program, all political subdivisions that offer health insurance for employees could be impacted by the provisions of this bill.

9. Specific Agency or Political Subdivisions Affected: All state agencies and institutions and political subdivisions that offer group health insurance policies to employees.

10. Technical Amendment Necessary: N/A

11. Other Comments: None

Date: 1/29/2010 JDH

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cc: Secretary of Administration