

Department of Planning and Budget 2013 Fiscal Impact Statement

1. **Bill Number:** SB 867

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. **Patron:** Edwards

3. **Committee:** Commerce and Labor

4. **Title:** Coverage for certain foods for individuals diagnosed as having phenylketonuria

5. **Summary:** The bill requires health insurers, health care subscription plans and health maintenance organizations providing a health care plan for health care services, whose policy, contract or plan, including any certificate or evidence of coverage issued in connection with such policy, contract or plan, includes coverage for prescription drugs on an outpatient basis to provide coverage for low protein (low phenylalanine) foods prescribed for the treatment of phenylketonuria and approved by the U.S. Food and Drug Administration for such treatment. This coverage applies to policies, contracts and plans effective January 1, 2014. The mandate would apply to the state employees' health insurance plan and to the local choice health program.

6. **Budget Amendment Necessary:** Yes, Item 468.

7. **Fiscal Impact Estimates:** Preliminary.

Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2014	\$105,292	0	GF
2014	\$90,963	0	NGF
2015	\$105,292	0	GF
2015	\$90,963	0	NGF
2016	\$105,292	0	GF
2016	\$90,963	0	NGF
2017	\$105,292	0	GF
2017	\$90,963	0	NGF
2018	\$105,292	0	GF
2018	\$90,963	0	NGF
2019	\$105,292	0	GF
2019	\$90,963	0	NGF

8. **Fiscal Implications:** According to the Department of Human Resource Management, this bill would result in additional costs of approximately \$237,000 per year. These additional costs would be recovered through increased health insurance premiums. Of the total increased premiums paid by the state, about \$105,292 would be from the general fund and

about \$90,963 from nongeneral funds. The remainder would come from employee (\$25,850) and early retiree premiums (\$14,895).

9. Specific Agency or Political Subdivisions Affected: Department of Human Resource Management.

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: 1/14/2012

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