

State Corporation Commission

2018 Fiscal Impact Statement

1. Bill Number: HB1478

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: Roem

3. Committee: Commerce and Labor

4. Title: Health insurance; coverage for prosthetic devices.

5. Summary: Includes myoelectric, biomechanical, and microprocessor-controlled prosthetic devices within the scope of "medically necessary prosthetic devices." Health insurance policies, contracts, and plans are required to offer and make available coverage for medically necessary prosthetic devices. The inclusion of these types of prosthetic devices applies to policies, contracts, and plans issued on and after January 1, 2019.

6. Budget amendment necessary: No

7. Fiscal Impact Estimates: No Fiscal Impact on the State Corporation Commission

8. Fiscal Implications: None on the State Corporation Commission

9. Specific agency or political subdivisions affected: State Corporation Commission Bureau of Insurance

10. Technical amendment necessary: No

11. Other comments: Coverage of prosthetic devices currently is required to be provided in the individual and small group markets with no annual or lifetime limits. The coverage is currently a mandated offer in the large group market. House Bill 1478 expands the types of prosthetic devices that fall under this mandated offer. Previous federal guidance regarding "offer only" mandates provides that although the statute requires issuers to offer the coverage, the law does not mandate that the issuer provide the benefit to all enrollees in that market; therefore, mandated offers have not been considered additional mandated benefits for which the state must defray related costs. However, further review will be necessary to determine whether or not the expansion of the definition of "medically necessary prosthetic devices" contained in House Bill 1478 would be considered an additional mandated benefit.

House Bill 1478 is assigned to subcommittee #1 of Commerce and Labor.

Date: 01/31/18/V. Tompkins