

**\*\*REVISED\*\***  
**State Corporation Commission**  
**2018 Fiscal Impact Statement**

**1. Bill Number:** SB907

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

**2. Patron:** McClellan

**3. Committee:** Commerce and Labor

**4. Title:** Health insurance; coverage for contraceptives.

**5. Summary:** Requires health carriers to provide coverage, under any health insurance policy, contract, or plan that includes coverage for prescription drugs on an outpatient basis, for any prescribed contraceptive drug or contraceptive device. Currently health carriers are required to offer and make available such coverage. The measure prohibits a health carrier from imposing upon any person receiving contraceptive benefits pursuant to the provisions of the measure any copayment, coinsurance payment, or fee. The measure applies to health insurance contracts, policies, or plans delivered, issued for delivery, or renewed on and after January 1, 2019.

**6. Budget amendment necessary:** Yes – Item 474 of HB/SB 30, according to the Department of Human Resource Management.

**7. Fiscal Impact Estimates:** No Fiscal Impact on the State Corporation Commission.  
According to DHRM, Fiscal Impact Estimates are Preliminary – see Item 8.

**7a. Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2018	\$0	0.00	-
2019	\$106,873	0.00	GF
2019	\$106,873	0.00	NGF
2020	\$106,873	0.00	GF
2020	\$106,873	0.00	NGF
2021	\$106,873	0.00	GF
2021	\$106,873	0.00	NGF
2022	\$106,873	0.00	GF
2022	\$106,873	0.00	NGF
2023	\$106,873	0.00	GF
2023	\$106,873	0.00	NGF
2024	\$106,873	0.00	GF
2024	\$106,873	0.00	NGF

**8. Fiscal Implications:** None on the State Corporation Commission. According to DHRM, Senate Bill 907 would require the state health plan to provide coverage for contraceptives at no cost share upon receipt and review of medical necessity from the prescriber. Because the state health plan currently covers generic and single source brand contraceptives with no cost share in accordance with the federal Affordable Care Act, only the multi-source brand drugs would be impacted. In FY 2017, 1,030 multi-sourced contraceptives were dispensed by COVA. The average plan cost per/multi-source brand Rx was \$207.52. Assuming similar utilization patterns in FY 2018, the state employee health plan's fiscal impact would be \$213,745.

**9. Specific agency or political subdivisions affected:** State Corporation Commission Bureau of Insurance, Department of Human Resource Management

**10. Technical amendment necessary:** No

**11. Other comments:** Senate Bill 907 is similar to House Bill 1481, although Senate Bill 907 does not include provisions to cover contraceptive procedures such as tubal ligation and vasectomies.

**Date:** 01/29/18/V. Tompkins