

## Department of Planning and Budget 2023 Fiscal Impact Statement

**1. Bill Number:** SB1112

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

**2. Patron:** Hashmi

**3. Committee:** Commerce and Labor

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

**5. Summary:** Requires health insurance carriers to provide coverage, under any health insurance contract, policy, or plan that includes coverage for prescription drugs on an outpatient basis, for any prescribed contraceptive drug or contraceptive device. The bill prohibits a health insurance carrier from imposing upon any person receiving contraceptive benefits pursuant to the provisions of the bill any copayment, coinsurance payment, or fee, except in certain circumstances. The provisions of the bill apply to health insurance contracts, policies, or plans delivered, issued for delivery, or renewed on and after January 1, 2024.

**6. Budget Amendment Necessary:** No.

**7. Fiscal Impact Estimates:** Preliminary – see Item 8.

**8. Fiscal Implications:** The proposed legislation is expected to have a minimal fiscal impact on the state health plan. According to the Department of Human Resource Management (DHRM), the fiscal impact is projected to be \$150,559 to provide coverage for contraceptives, including progestin implants and intrauterine devices (IUDs). The proposed legislation is not expected to change the health insurance premiums funded in SB 800.

The Centers for Medicare & Medicaid Services (CMS) has advised the State Corporation Commission (SCC) that the provisions of this bill do not completely mirror federal law; therefore, these provisions may be viewed as a new state health insurance mandate. As a result of such determination, qualified health plans are not required to provide any coverage that exceeds the essential health benefits pursuant to Section 38.2-6506 A. 1. and may only provide coverage for contraceptives in accordance with existing federal law.

**9. Specific Agency or Political Subdivisions Affected:** Department of Human Resource Management and State Corporation Commission.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** The fiscal impact statement has been updated to include comments from CMS that were provided to the SCC.