

Vermont Legislative Joint Fiscal Office

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FISCAL REVIEW

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DRAFT

H. 620 – An Act Relating to Health Insurance Coverage for Contraceptives POTENTIAL FISCAL IMPLICATIONS

The following are intended to flag issues in H.620 that could have potential fiscal implications. This is not a fiscal note.

Medical Management Techniques

- Carriers are concerned that this bill won't allow them to utilize "medical management techniques" such as imposing cost-sharing on some items or services to encourage an individual to use other specific items or services within a chosen contraceptive method.
 - Currently impose cost-sharing on brand-name only (and not generics), unless doctor cites medical necessity for the patient at which time cost-sharing for the brand-name waived.

Sterilization

- Sterilization for men is required in this bill but is not required by the ACA.
 - Clarification is required to determine if vasectomies are or are not already covered in Vermont's essential health benefit package (EHP).
 - MVP (and maybe BCBSVT) already covers vasectomies, but if not already accounted for in the EHP then could be considered a new mandate.

13-Month Supply

- Carriers are concerned that beneficiaries may receive 13-month supply but pay premiums for less than 13 months.
- For example, average BCBSVT health exchange membership is between 6 and 10 months depending on the exchange product.

Maintenance of Effort (MOE)

- There appears to be difference of opinions by the AOA/VHC and the carriers as to whether some of the provisions could be considered a new mandate therefore triggering MOE implications, which could have fiscal implications for the State of Vermont.

Value-Based Payments for LARC

- This section would require an appropriation.
- "Value-based Payments" are not yet established or defined in this bill.
- PPNE has a proposal to cover the appropriation, but it is not addressed in the bill.