

Vermont Legislative Joint Fiscal Office

One Baldwin Street • Montpelier, VT 05633-5701 • (802) 828-2295 • Fax: (802) 828-2483

FISCAL NOTE

Date: February 28, 2018

Prepared by: Nolan Langweil

S.224 - An act relating to co-payment limits for visits to chiropractors

As Introduced

S.224 proposes to require health insurance plans to limit the co-payment for certain visits to a chiropractor to not more than the co-payment for a visit to a primary care physician, specifically for care and services billed as a new patient office visit, an established patient office visit, a new or established patient consultation, or self-care and home management training.

State Employee Health Plan

The State of Vermont state employee plan has two benefit designs, one which does not take co-pays for either chiropractic or primary care visits, and one which takes the same co-pays for both. Therefore, S.224 as proposed would have no new fiscal impact on the State Employees Health Plans.

Other Health Insurance Plans in Vermont

According to estimates provided by Blue Cross and Blue Shield of Vermont (BCBSVT), this legislation will have an average premium impact of between \$1.25 per member per month (PMPM) to \$1.90 per member per month (PMPM) depending on the benefit design of each plan. We do not have estimates from other insurers at this time. Lowering chiropractic co-pays could have a utilization impact. However it is unclear if (and by how much) any potential increases in utilization of chiropractic services would be off-set by diverting services from otherwise costly treatments.¹

BCBSVT Line of Business	Average Impact PMPM
Qualified Health Plans	\$1.90
Large Group Insured	\$1.25

Under ERISA self-insured plans would not be subject to this legislation.²

Note: Qualified Health Plans (QHPs) fall under four “metal levels” – bronze, silver, gold, and platinum based on actuarial values (AV). Other co-pays may be adjusted to ensure plans fall within established AV values bands to meet certain metal level criteria.

¹ New Hampshire passed a similar law in 2014 (HB 1281). A 2017 study of the impacts of the law found that chiropractic cost-sharing declined and utilization increased.

https://www.nh.gov/insurance/reports/documents/hb1281chiro_pt_copaystudy.pdf

² The Employer Retirement Income Security Act of 1974 is a federal law that sets minimum standards for most voluntarily established pension and health plans in private industry.