



**FINAL
FISCAL NOTE**

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 16-0160
Prime Sponsor(s): Rep. Pettersen; Coram
Sen. Donovan

Date: September 7, 2016
Bill Status: Postponed Indefinitely
Fiscal Analyst: Bill Zepernick (303-866-4777)

BILL TOPIC: HEALTH COVERAGE PRESCRIPTION CONTRACEPTIVES SUPPLY

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018
State Revenue		
State Expenditures	Potential increase.	
Appropriation Required:	None.	
Future Year Impacts:	Potential for ongoing minimal expenditure increase.	

NOTE: This bill was not enacted into law; therefore, the impacts identified in this analysis do not take effect.

Summary of Legislation

The bill requires health insurance plans that are required by federal law to cover contraceptives to cover a 3-month supply of a prescription contraceptive the first time it is dispensed to a covered person and a 12-month supply any time it is subsequently redispensed.

State Expenditures

To the extent that the state employees change their purchasing behavior for contraceptives based on the supply options required by the bill, health care payments by state employee insurance plans could increase or shift between years, which could ultimately affect premiums paid by the state. Given that there are many factors affecting insurance premiums, and the fact that purchasing larger supplies can have conflicting impacts on costs (e.g., savings from bulk discounts vs. higher up-front costs and potential increase in unused medication), any impact to the cost of state employee health insurance, managed by the Department of Personnel and Administration, is assumed to be minimal. The Division of Insurance in the Department of Regulatory Agencies can incorporate the changes under the bill as part of its regular rate and form review process for insurance plans.

Local Government Impact

Similar to the state impact listed above, the bill potentially affects costs paid by local governments that pay for employee health insurance. Any impact is assumed to be minimal.

Effective Date

The bill was postponed indefinitely by the Senate State, Veterans, and Military Affairs Committee on May 5, 2016.

State and Local Government Contacts

Health Care Policy and Financing
Information Technology
Personnel

Human Services
Law
Regulatory Agencies

Research Note Available

An LCS Research Note for HB 16-1322 is available online and through the iLegislate app. Research notes provide additional policy and background information about the bill and summarize action taken by the General Assembly concerning the bill.