

Fiscal Note

State of Alaska
2026 Legislative Session

Bill Version: HB 292
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB292CS(HSS)-DCCED-DOI-04-15-26
Title: INSURANCE: PEDIATRIC NEUROPSYCH
DISORDERS
Sponsor: COULOMBE
Requester: (H) Labor & Commerce

Department: Department of Commerce, Community and
Economic Development
Appropriation: Insurance Operations
Allocation: Insurance Operations
OMB Component Number: 354

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2027	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2027 Request	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
OPERATING EXPENDITURES	FY 2027	FY 2027					
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits	351.5	369.1	387.5	406.9	427.3	448.6	471.0
Miscellaneous							
Total Operating	351.5	369.1	387.5	406.9	427.3	448.6	471.0

Fund Source (Operating Only)

1156 Rcpt Svcs (DGF)	351.5	369.1	387.5	406.9	427.3	448.6	471.0
Total	351.5	369.1	387.5	406.9	427.3	448.6	471.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

1156 Rcpt Svcs (DGF)	351.5	369.1	387.5	406.9	427.3	448.6	471.0
Total	351.5	369.1	387.5	406.9	427.3	448.6	471.0

Estimated SUPPLEMENTAL (FY2026) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2027) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed? N/A

Why this fiscal note differs from previous version/comments:

Updated to move from an indeterminate fiscal note to an estimate of the defrayal cost.

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Division: <u>Division of Insurance</u>	Date: <u>04/15/2026</u>
Approved By: <u>Hannah Lager, Administrative Services Director</u>	Date: <u>04/16/26</u>
Agency: <u>Department of Commerce, Community, and Economic Development</u>	

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2026 LEGISLATIVE SESSION

BILL NO. CSHB 292(HSS)

Analysis

HB 292 creates a new state benefit mandate for fully insured health plans regulated by the Division of Insurance to cover pediatric autoimmune neuropsychiatric disorders including pediatric autoimmune neuropsychiatric disorders associated with streptococcal infections (PANDAS) and pediatric acute-onset neuropsychiatric syndrome (PANS). These conditions are marked by sudden onset of obsessive-compulsive disorders, tic disorders and eating changes. Coverage under the bill must include antimicrobials, medication, behavioral therapies, plasma exchange and intravenous immunoglobulin therapy. There are limitations on restrictions an insurer can place on the services.

Insurance plans do not currently have language expressly covering or excluding these services. Medical policies for insurers in Alaska indicate that some of the services listed in the bill are investigational for PANS and PANDAS.

Other states have enacted legislation mandating the coverage of PANS and PANDAS which have resulted in state defrayal of the increased cost. Minnesota has defrayed similar benefits since 2021. Virginia’s mandate went into effect on January 1, 2026, and they anticipate defraying the cost. Washington had proposed legislation in 2026 which did not pass; they indicated that defrayal would be expected to be necessary. Given the experience of other states, the division anticipates that the state would be required to defray the cost of the new mandate should this bill become law. The Department of Health and Human Services - Centers for Medicare and Medicaid Services (CMS) has issued the Notice of Benefit and Payment Parameters for 2027 proposed rule. This proposed rule, which is for calendar year 2027, requires states to defray costs of all state mandates required after 2011, even if the mandated coverage is also included in the state Essential Health Benefits (EHB) benchmark plan. New benefits included in EHB updates are not required to be defrayed if not required by state mandate. If this rule is adopted as proposed, it further underscores the division would have to defray the cost to insurers to cover these benefits mandated by state statutes.

The Division of Insurance estimates \$351.5 in defrayed costs for the first year, based on projected market size, with a projected 5% annual increase due to medical inflation based on a survey to insurers. The division collects sufficient licensing receipts to support the increase in costs.

Cost Estimates (whole dollars)

Weighted Premium Dollar Amount of Premium Cost for Member	\$0.62/member per month
Multiplied by 12 months	\$7.48/member per year
Multiplied by 47,000 individuals and small group market members in Alaska	\$351,458.00