

Fiscal Note

State of Alaska
2017 Legislative Session

| | |
|---------------------|--------------|
| Bill Version: | CSHB 25(FIN) |
| Fiscal Note Number: | 4 |
| (H) Publish Date: | 5/15/2017 |

Identifier: HB025CS(HSS)-DOA-DRB-04-11-17
 Title: INSURANCE COVERAGE FOR
 CONTRACEPTIVES
 Sponsor: CLAMAN
 Requester: House Finance

Department: Department of Administration
 Appropriation: Centralized Administrative Services
 Allocation: Retirement and Benefits
 OMB Component Number: 64

Expenditures/Revenues

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

| | FY2018 | Included in | Out-Year Cost Estimates | | | | |
|-------------------------------|-------------------------|---------------------------|-------------------------|------------|------------|------------|------------|
| | Appropriation Requested | Governor's FY2018 Request | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 |
| OPERATING EXPENDITURES | FY 2018 | FY 2018 | | | | | |
| Personal Services | | | | | | | |
| Travel | | | | | | | |
| Services | | | | | | | |
| Commodities | | | | | | | |
| Capital Outlay | | | | | | | |
| Grants & Benefits | | | | | | | |
| Miscellaneous | | | | | | | |
| Total Operating | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Fund Source (Operating Only)

| | | | | | | | |
|--------------|------------|------------|------------|------------|------------|------------|------------|
| None | | | | | | | |
| Total | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Positions

| | | | | | | | |
|-----------|--|--|--|--|--|--|--|
| Full-time | | | | | | | |
| Part-time | | | | | | | |
| Temporary | | | | | | | |

Change in Revenues

| | | | | | | | |
|--------------|------------|------------|------------|------------|------------|------------|------------|
| None | | | | | | | |
| Total | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Estimated SUPPLEMENTAL (FY2017) cost: 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2018) cost: 0.0 *(separate capital appropriation required)*
(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 If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

Initial version.

Prepared By: Michele Michaud, Chief Health Officer
 Division: Retirement and Benefits
 Approved By: Sheldon Fisher, Commissioner
 Agency: Administration

Phone: (907)465-3225
 Date: 04/11/2017 04:15 PM
 Date: 04/14/17

REPORTED OUT OF
HFC 05/13/2017

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2017 LEGISLATIVE SESSION

Analysis

Previous versions of the bill did not apply to plans administered by the Division of Retirement and Benefits (DRB). Language added to the CS directly references DRB statutes; therefore, DRB submits this fiscal note.

The self-funded AlaskaCare active employee plan provided under AS 39.30.091 surrendered grandfather status under the Affordable Care Act in January 2017. The plan currently provides generic contraceptives and - in cases where generics are not available or when a medical exception is granted - therapeutically equivalent brand name medication without member cost share when received through mail order or at a network pharmacy. Members can readily get a 90 day fill at either retail locations or through mail order, and extended days supplies can be approved through what we term "vacation overrides" if the member will be unable to access a pharmacy for an extended period of time.

Because the plan already offers the benefits outlined in the CS, no additional utilization (more contraception being issued) is anticipated as a result of the bill.

The CS would expand the 90-day fill limit to a one year supply. Although we may experience de minimis savings as a result of reduced dispensing fees we do not anticipate savings from a decrease in unplanned pregnancies. DRB believes this bill will have little to no fiscal impact on the AlaskaCare employee plan and submits a zero fiscal note.