

HB

412

19140 Sarichef Loop
Eagle River, AK 99577
907/694-9134

MAY -1 REC'D

April 27, 1992

Rep. Georgianna Lincoln
Alaska State Legislature
PO Box V (MS 3100)
Juneau, Alaska 99811

Re: House Bill 412 regarding mandatory coverage
by health insurers for infertility treatment

Dear Rep. Lincoln:

I understand your Committee is considering a bill which would mandate infertility coverage by health insurance companies operating in Alaska. My husband and I have resided in Alaska since 1984. We have been trying to have a child throughout our 10-year marriage.

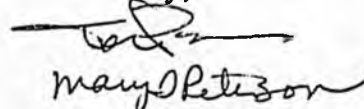
We would like to see the House pass this bill. Since June 1990, we have spent in excess of \$28,000 on infertility treatment for four in-vitro fertilization attempts. This is just for the medical care. We have also spent a small fortune on fertility pharmaceuticals here in Alaska, approximately \$4,200. Since our treatment has taken us out of state to the University of Minnesota and to Redondo Beach, California, we have incurred approximately \$11,000.00 in travel and lodging expenses. Nothing has been covered by our health insurer, Blue Cross of Washington & Alaska (except for a miscarriage after our first in vitro try in December 1990 - approximately \$300.) This also does not include the lost wages I incur every time I have to leave Alaska for the 10-14-day procedure.

We are attaching a listing of our medical billings since 1990 so you can see how incredibly expensive it has been, especially when you factor in that these treatments are available nowhere in the State of Alaska, and treatment must be sought Outside. The grand total for our infertility bills (excluding lost wages) has been \$44,629.66. (My accompanying cost sheets have been detailed for income tax purposes.)

We have considered adoption also, and last summer had arranged a private adoption which fell through when the biological parents changed their minds. Private adoption is also an expensive, time-consuming experience. We don't know what the alternatives are for a hardworking, middle-class Alaskan couple to have a family, but extending insurance coverage to cover infertility treatment would be a small step in that direction.

Thank you for your consideration of our letter.

Sincerely,



Tom & Mary Peterson

/mp
Enclosures

1990 MEDICAL EXPENSE REPORT

1st IVF Try - October 1990

Medical Expenses:

In Vitro Fertilization	\$ 5,438.84
Additional Medications	5.05
	5.45
Medical bills leading to IVF	1,555.56 (at U of M)
Real Time Imaging (ultrasound)	169.00
Dr. Owen Bell	80.00
Resolve, Inc. (medical info)	30.00
Basal Body Thermometers (5)	43.05
Humana Hospital	69.84
Dr. Owen Bell	30.00
Alaska Family Medical	40.00
Denali Emergency	40.20
University of Minn.	193.00
Books re miscarriage	19.39
Embryo storage	<u>28.00</u>
 Total	 \$ 7,747.38

Airline/Ferry Travel Expenses (for 1st try)

June 11 Airline tickets	\$ 992.00
July 25 Airline tickets	500.00
August Amtrak ticket	113.00
Sept. 1 Ferry tickets	1,086.00
October 13 Airline ticket	229.00
October 29 Airline ticket	189.00
November 11 Airline ticket	151.00
November 25 Airline ticket	715.00
November 30 Airline ticket	344.00
December Ferry ticket	450.00
June Auto Rental	<u>213.61</u>
 Total:	 \$ 4,982.61

Travel Expenses

Gas, lodging	\$ 503.47
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Miscellaneous

Mikulay Parking	\$ 3.75
Mayo Garage	3.00
Bus Passes	100.00
Parking Garage	110.00
Diamond Parking	42.00
Atlas	6.95
 Total	 \$ 175.70

TOTAL

\$13,409.16

1991 MEDICAL EXPENSE REPORT

2nd Try - May 1991

Dr. Burritt Newton, MD - consult	\$ 70.00
Alfa Lab	315.00
Literature re ovarian cysts	15.95
Alfa Lab	125.00
Resolve, Inc.	30.00
Continental Airlines - tickets	500.00
Long's Drug Store (ovuquick kit)	51.73
Carr's Pharmacy	20.40
University of Minn.	40.00
Ivy Pharmacy (safety filter needles)	10.00
Carr's Pharmacy - Prednisolone	5.00
Carr's Pharmacy - OrthoNovum	34.50
Carr's Pharmacy - Pergonal, Lupron, Metrodin	1,195.00
University of Minn.	40.00
Parking - Mpls	31.50
Alfa Labs	25.00
Alfa Labs	25.00
Car Rental - Mpls	195.00
Hotel - Mpls	89.94
University of Minn.	5,585.77
University of Minn.	20.00
Airfare	<u>1,196.00</u>

Total

\$8,424.85

3rd Try - August 1991

Alfa Lab	\$150.00
Alfa Lab	315.00
Carr's Pharmacy - Pergonal	99.40
Carr's Pharmacy - Prenatal Vitamins Folic Acid	
Carr's Pharmacy - Pergonal, Metrodin, Lupron	1,035.00
Northwest Airlines (Tom's bump coupon)	12.00
Continental Airlines (Mary)	450.00
Infertility literature	13.45
Univ. of Minn.	40.00
Resolve, Inc.	35.00
Parking	50.00
Univ. of Minn.	20.00
Kanabec County Hospital	25.25
Isle Clinic	35.00
Dayton's (cooler for meds)	8.58
Univ. of Minn.	40.00
Univ. of Minn.	6,000.00
Airline tickets	184.54
Hotels	260.25
Car Rentals	<u>418.05</u>

Total:

\$9,191.52

1992 [TO DATE] MEDICAL EXPENSE REPORT

4th Try - (Pre-Try - November 91)

Dr. David Meldrum - phone consult	\$	130.00
UAA Health Sciences Library		58.00
UAA Health Sciences Library		39.00
Dr. David Meldrum - trial transfer		270.00
AMI South Bay Hospital		108.00
Dr. Lisa Peterson, Ph.D.		80.00
Airfare to California (Alaska Airlines)		920.00
Carr's Pharmacy		6.90
South Bay Hospital		33.50
Subtotal:		\$1,645.40

4th Try - March 1992

Carr's Pharmacy		6.90
South Bay Hospital		33.50
Carr's Eagle River Pharmacy		1,772.10
ALFA Lab		155.00
Long's Drug Store		68.69
ALFA Lab		125.00
ALFA Lab		125.00
Ivy Pharmacy		15.00
Carr's Pharmacy		38.70
Real Time Images		140.00
ALFA Lab		25.00
Carr's Eagle River Pharmacy		16.90
ALFA Lab		71.00
Real Time Images		75.00
ALFA Lab		140.00
Dr. Meldrum		7,300.00
Airfare		<u>450.00</u>
Subtotal:	\$	10,762.79

Total for 4th Try

12,408.19

GRAND TOTAL:

\$44,629.66

THE FOLLOWING DOCUMENT MAY NOT FILM
LEGIBLY BECAUSE OF THE POOR QUALITY OF THE
ORIGINAL

Robert G. Thompson, M.D., F.A.C.O.G.

Reproductive Surgeon -- Society of Reproductive Surgeons
Diplomate -- American Board of Obstetrics and Gynecology

MAY - 1 REC'D

April 22, 1992

Honorable Georgianna Lincoln
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Re: House Bill 412

Dear representative Lincoln:

I was extremely pleased to find House Bill 412 (sponsored by Representatives Niilo Koponen and Max Gruenberg) in the legislative forefront in the State of Alaska again this year. I am also pleased with the progress this bill has made thus far through Committee in the State Legislature. As you know, the fiscal impact of this bill on insurers and self-insured in the State of Alaska would remain fairly insignificant. It states previously mandating coverage for the treatment of infertility, the per-family per-month increase has been consistently less than 60 cents per month. It is also my understanding that the impact on cost for State employees was calculated to be approximately 15 cents per month, per Representative Koponen's office.

As a specialist in infertility practice, treatment and therapy, I find the impact of this disease to be enormous, significantly impacting the couple's general health, marriage, extended family relationships, job performance, social interactions, and emotional health. The disease of infertility affects approximately one in five to one in ten couples of child-bearing age in the State of Alaska. Most importantly, with treatment, accurate diagnosis is now possible for over 90% of all patients afflicted with this disorder. Approximately 70% of couples can expect a successful therapeutic outcome, i.e. pregnancy.

It is important to note that many of the diagnoses and conditions which affect infertility patients would normally be treated, even if the couple were not attempting to conceive; for example, endometriosis therapy. While this disorder is completely covered if the patient is not attempting to conceive, the diagnosis of infertility frequently allows insurers to discriminate arbitrarily against these patients and deny appropriate coverage.

A Professional Corporation, 4001 Dale Street, Suite 117, Anchorage, Alaska 99508
(907) 562-5328, FAX (907) 562-4363, Fertility (907) 562-3562



Honorable Georgianna Lincoln

Re: House Bill 412

Page Two

April 22, 1992

The treatment of infertility is not an elective condition. It is a serious and often times debilitating illness with serious health risks often associated with underlying disease, including ectopic pregnancy, cancer risks, and numerous other complications.

Children conceived in a relationship challenged by the hurdle of infertility, treatment and therapy are almost always provided with an excellent home, a loving relationship, and a stable environment in which they may be reared to provide enormous contributions to society. Less than 5% of the couples treated in my practice require advanced medical technology in the form of in vitro fertilization for treatment of their fertility disorders. The restrictions and the guidelines provided for in the bill sponsored by Representatives Koponen and Gruenberg provide excellent, reasonable guidelines, restrictions and limitations with regard to these considerations for the benefit of the insurer.

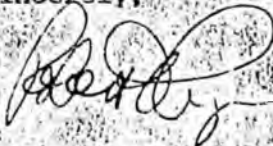
Numerous Legislators and Legislatures in states throughout the United States have enacted laws providing for adequate benefits for the treatment of infertility, establishing this as a priority, as is pregnancy in our society.

I have had the opportunity to treat Legislative couples within the State of Alaska whose lives have also been impacted by this disease process.

This legislation is humane, pro-family, and pro-life. I commend the sponsors of this bill for their public awareness, thoughtfulness, and responsibility in offering this bill for your support. As the father of two children and a physician to many of those who cannot achieve pregnancy, I hope and pray that the Legislature in the State of Alaska will see in its wisdom to adopt legislation requiring insurers to give those couples who desire pregnancy an equal chance to share the joys and experiences which I have had the blessing to receive.

Thank you for your consideration of this matter and your support.

Sincerely,



Robert G. Thompson, MD, FACOG
Reproductive Surgeon

RGT:sd

cc: Anchorage Times Editorial Desk

COMMENTS BY GORDON E. EVANS
ON BEHALF OF HEALTH INSURANCE ASSOCIATION OF AMERICA
at
House Labor and Commerce Committee
Hearing on House Bill 412
April 16, 1992

My name is Gordon Evans and I represent the Health Insurance Association of America ("HIAA"), which is a national, voluntary trade association of 300 private health insurance companies which provide health insurance for over 95 million Americans. Blue Cross and Blue Shield are not HIAA members.

HIAA is opposed to House Bill 412. Infertility is an unfortunate condition. For some people it is even a tragic event. However, insurance coverage for infertility should not be mandated merely because there is a difficulty for some persons to achieve pregnancy. Despite the advances in the technology associated with infertility treatment in recent years, requiring insurance coverage of these procedures is just not good public policy -- particularly in light of increased public concern over health care costs.

We strongly oppose mandated coverage for infertility treatment for the following reasons:

- At least part of the problem our member companies have with HB 412 is that what it seeks to do flies in the face of traditional insurance policy coverages. Generally, health insurance policies provide coverage for medically necessary treatments and not for procedures which are considered to be elective and where there is no necessity for medical treatment.

Infertility treatment is not really treatment of an illness or injury. Rather it is an elective procedure.

● Mandating coverage of an elective procedure is contrary to the continuing efforts on the part of consumer groups, labor, business, health insurers, and local, state and federal government bodies to contain health care costs. When state law requires the coverage of certain benefits, whether they are wanted or not, the cost of those benefits becomes a non-negotiable item. The employee must take them, the employer must buy them, and the carrier must sell them -- even if nobody or only a few want them. The amount of money thus committed by law is unavailable to pay for other benefits which employees may want much more and which employers may feel are more important.

● Passage of such a mandate would increase health care costs for employers, employees, and other consumers while benefitting only a very small segment of the population. As with all mandates, this mandate would deny consumers the right to purchase coverages that conform with their values and with their ability to pay.

● Cost-wise, in vitro fertilization procedures are extraordinarily expensive, particularly since, in most cases, multiple attempts are required to achieve pregnancy and live birth. Tests and treatments involved in the multi-step procedure can cost between \$2,000 and \$8,000 per procedure.

• These procedures are not always successful. Success rates differ among facilities performing in vitro fertilization, but the average success rate is estimated at approximately 25 percent. Thus, considering the cost of each procedure and the number of procedures required before successful pregnancy is achieved, the cost per couple could reach between \$22,000 and \$35,000 for the procedures alone.

• Mandates such as those included in HB 412 create benefits through a political process rather than a technical process that balances clinical and financial needs. At a time when the marketplace is involved in cost containment activities, it is disturbing and counter productive for the Legislature to foster cost increases by mandating health care benefits.

FISCAL NOTE

BILL NO. SSHB 412

STATE OF ALASKA
1992 LEGISLATIVE SESSION

Revision Date: February 11, 1992
Title: An Act relating to insurance for infertility.

Department Affected: Administration
BRU: Retirement and Benefits

Component: Retirement and Benefits

Sponsor: Koponen
Requestor: House Labor & Commerce

COMPONENT SERIAL NO. 64

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE:	0	0	0	0	0	0
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FUNDING: (Thousands of dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER FUND SOURCE	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS

FULL-TIME:	0	0	0	0	0	0
PART-TIME:	0	0	0	0	0	0
TEMPORARY:	0	0	0	0	0	0

Estimate of current year impact: none

ANALYSIS: (attach a separate page if necessary.) This bill will not increase the operating expenses of the Division of Retirement and Benefits.

Prepared By: Gary Bader
Division: Retirement and Benefits

Phone: 465-4470
Date: February 11, 1992

Approved by Commissioner: Nancy Bear Usery
Agency: Department of Administration

Date: 2/18/92

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB & Impacted Agency(ies).
ev 10/90

*Retirement + Benefits
FN & Admin*

FISCAL NOTE

BILL NO. SSFIB 412

STATE OF ALASKA
1992 LEGISLATIVE SESSION

Revision Date: February 11, 1992
Title: An Act relating to insurance for infertility.

Department Affected: All State
BRU: All State

Sponsor: Koiponen
Requestor: House Labor & Commerce

Component: All State
COMPONENT SERIAL NO. _____

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	10.1	24.3	24.3	24.3	24.3	24.3
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	10.1	24.3	24.3	24.3	24.3	24.3

CAPITAL	0	0	0	0	0	0
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REVENUE FROM SOURCE:	0	0	0	0	0	0
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FUNDING: (Thousands of dollars)

GENERAL FUND	9.1	22.0	22.0	22.0	22.0	22.0
FEDERAL FUNDS	0.5	1.1	1.1	1.1	1.1	1.1
OTHER FUND SOURCE	0.5	1.2	1.2	1.2	1.2	1.2
TOTAL	10.1	24.3	24.3	24.3	24.3	24.3

POSITIONS

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY:	0	0	0	0	0	0

Estimate of current year impact: none

ANALYSIS: (attach a separate page if necessary.) This bill mandates insurance coverage currently not provided under the State's plan. The increased health benefit will increase the cost of State employee insurance as shown above. The cost of health insurance for retirees and participating political subdivisions will also increase but not by a measurable amount. Please see attached analysis for details.

Prepared By: Gary Bader
Division: Retirement and Benefits

Phone: 465-4470
Date: February 11, 1992

Approved by Commissioner: Nancy Bear Usura
Agency: Department of Administration

Date: 2/18/92

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB & Impacted Agency(ies).
Rev 10/90

*All State
FN 10.1 Admin*

Sponsor Substitute House Bill 412
Analysis of Financial Impact

Prepared by the Division of Retirement and Benefits
Department of Administration
February 11, 1992
Page 2 of 2

This bill will not result in additional operations cost for the Division of Retirement and Benefits. The cost shown on page 1 is the result of the estimated increase to the State's health plan due to the increase in benefits.

This increase is estimated to be \$.15 per month per active employee. The total estimated cost to the State is calculated as follows:

<u>Active State employees beginning in the last five months of FY 93 and continuing each year</u>	<u>FY 93</u>	<u>FY 94</u>
The increase of \$.15 per month per employee times the number of employees (13500).....	\$10,125	\$24,300

There will also be an increase in cost to political subdivisions and school districts for their employees that participate in the health plan administered by the State. The increase for all entities is negligible.

Passage of this bill is estimated to result in an increase to the PERS unfunded liability of \$256,000 which would not result in any measurable increase in employer contributions. The unfunded liability of the TRS would increase by \$97,000 which would not result in any measurable increase in school district contributions.

FISCAL NOTE

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO. HB412

Introduced: 1/21/92
Title: An Act Relating to Insurance for Infertility

Department Affected: University of Alaska
BRU: Personal Services
Component: Statewide Services

Sponsor: Reps Koponen, Gruenberg
Requestor: Reps Koponen, Gruenberg

COMPONENT SERIAL NO. 730

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY93	FY94	FY95	FY96	FY97	FY98
PERSONAL SERVICES	261.0	261.0	261.0	261.0	261.0	261.0
TRAVEL						
CONTRACTUAL	0.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	261.0	261.0	261.0	261.0	261.0	261.0

CAPITAL						
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REVENUE FD SOURCE						
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FUNDING: (Thousands of Dollars)	FY93	FY94	FY95	FY96	FY97	FY98
GENERAL FUND	261.0	0.0	0.0	0.0	0.0	0.0
FEDERAL FUNDS						
OTHER						
TOTAL FUNDING	261.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:	FY93	FY94	FY95	FY96	FY97	FY98
FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: None

ANALYSIS:(Attach a separate page if necessary) Currently prescription drugs (relating to fertility) are covered if used to diagnose a direct cause. Coverage required in bill would include travel, office visits & procedures specified. Estimate above is based on 10 individuals, effective 7/1/92 following an average procedure (\$26.0+), including required travel, pre-treatment and procedure. Expenses would be considered covered as under current policy (i.e. 80%, to maximum out of pocket, thereafter 100%). Cost would increase each fiscal year.

Prepared by: Marsha Hubbard, Director *Marsha Hubbard* Phone: 474-7593
 Division: Statewide Budget Office Date: 3/6/92
 Approved by: Brian Rogers, Vice President for Finance *Brian Rogers*
 Agency: University of Alaska Date: 3/6/92

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

FN 261.0 Univ.

HOUSE COMMITTEE REPORT

5/8

(7)
Date Referred: April 24, 1992

FURTHER REFERRALS:

Finance

Date of Committee Action: 4/8/92

The HEALTH, EDUCATION AND SOCIAL SERVICES Committee considered: SSHB 412

SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 412 INS. COVERAGE FOR INFERTILITY

"An Act relating to insurance for infertility."

- RECOMMENDATIONS: the same title
 be replaced with _____ a new title
 have attached amendments(s)
 do pass
 do not pass
 no recommendations
 individual recommendations
 additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

- ATTACHES NEW FISCAL NOTE(S): (Dept) _____
 fiscal impact _____
 zero fiscal note _____

- APPROVES PREVIOUS: (Dept/Date) _____
 fiscal note(s) ^{4/24} Admin, ^{4/24} University
 zero fiscal note(s) ^{4/24} Admin

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
	✓	Cheri Davis		✓	

CO- CHAIRMAN'S SIGNATURE