



Legislative Council Staff

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Fiscal Note

Drafting Number:	LLS 22-0621	Date:	January 28, 2022
Prime Sponsors:	Rep. Tipper Sen. Fenberg; Winter	Bill Status:	House Health & Insurance
		Fiscal Analyst:	Annie Scott 303-866-5851 Annie.Scott@state.co.us

Bill Topic: **IMPLEMENTATION OF FERTILITY COVERAGE**

Summary of Fiscal Impact:

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input checked="" type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill requires that certain health insurance plans cover the diagnosis of and treatment for infertility and standard fertility preservation services. It increases state workload in FY 2022-23.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the introduced bill.

Summary of Legislation

House Bill 20-1158 required that all Division of Insurance (DOI) regulated health benefit plans provide coverage for the diagnosis of and treatment for infertility and standard fertility preservation services, if the federal Department of Health and Human Services (HHS) determines that these benefits would not require the state to defray the cost for premium increases attributable to the mandate. This bill clarifies that this coverage is effective immediately for large employer health benefit plans. If the HHS determines that that the coverage does not require defrayal by the state for individual and small employer group policies, the coverage will take effect on January 1 in the following the calendar year.

Background

The provisions of the bill apply to health insurance plans that are under the jurisdiction of the DOI. There are three primary market segments subject to DOI regulation: the individual, small group, and large group markets, with the exception of self-insured employers. The bill does not apply to Medicare, Medicaid, military plans, or self-insured employer-based health plans, which are regulated by the federal government.

State Expenditures

The bill increases state workload and potentially costs in several agencies beginning in FY 2022-23 as explained below.

Department of Regulatory Agencies. The DOI may experience an increased workload, as the bill could result in health insurance carriers filing for a rate adjustment. The fiscal note assumes that this can be accomplished within existing resources and that no change in appropriations is required.

Department of Health Care Policy and Financing. Workload will increase to update contracts under the Child Health Plan Plus to include infertility services. Because all adults in the program are or were pregnant, this is not expected to increase services provided and no change in appropriations is required.

State employee insurance. State employee insurance is subject to state regulation and would be required to comply with the coverage requirement in the bill. Any cost increase could contribute to higher insurance premiums, which would be shared by state agencies and employees. Because insurance premiums are influenced by a number of variables and the cost share between the state and employees has not been determined for future fiscal years, a cost to the state is not estimated.

Local Government

Similar to state employee insurance, to the extent that the premiums increase for local government insurance plans, cost increases will be shared by local governments and employees.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Health Care Policy and Financing
Personnel

Information Technology
Regulatory Agencies