

CONFIDENTIAL
LEGISLATIVE BILL REVIEW FORM: 2013

Bill Number: H.717 **Name of Bill:** An act relating to abortions and insurance coverage
(<http://www.leg.state.vt.us/docs/2014/bills/Intro/H-717.pdf>)

Agency/ Dept: DVHA **Author of Bill Review:** Susan Coburn

Date of Bill Review: February 27, 2014 **Status of Bill: (check one):**

Upon Introduction **As passed by 1st body** **As passed by both bodies** **Fiscal**

Recommended Position:

Support **Oppose** **Remain Neutral** **Support with modifications identified in #8 below**

Analysis of Bill

1. Summary of bill and issue it addresses.

This bill proposes that, health insurance plans as defined in 18 V.S.A. § 9402 (not including Medicaid):

- Are not required to cover abortion services and
- If a health insurance plan chooses to cover abortion services, those services must be a separate and distinct benefit and not be included as part of the coverage for pregnancy, family planning or reproductive services.

2. Is there a need for this bill? *Please explain why or why not.*

Only if insurers in the State's Exchange do not want to include abortion services as a covered service. Commercial insurers are not required to provide abortion services. Vermont's benchmark health plan includes abortion services as an outpatient medical service.

The special rules, Section 1303 of The Affordable Care Act includes a provision that "A State may elect to prohibit abortion coverage in qualified health plans offered through an Exchange, in such State, if such State enacts a law to provide for such prohibition".

3. What are likely to be the fiscal and programmatic implications of this bill for this Department?

This bill does not include Medicaid. It would apply to plans offered through the Exchange.

Abortion, if necessary to save the life of the mother or if the pregnancy is the result of rape or incest, is a component of Medicaid State Plan requirements: coverage and benefits. Source: 66 FR 2678, Jan. 11, 2001

Federal rule stipulates that federal funds cannot be used for abortion services except in the case of rape or incest, or when the life of a woman would be endangered. Currently under Rule 7302, DVHA covers abortion services for which the Federal Financial Participation is available.

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4. What might be the fiscal and programmatic implications of this bill for other departments in state government, and what is likely to be their perspective on it?

This bill would apply to insurance plans offered through the Exchange. Requiring the services as a separate and distinct benefit would have administrative and fiscal impacts on the plans and consumers. The Exchange plans would have to build a new benefit and payment for the service that would require IT changes and additional costs. Requiring abortion services as a separate benefit could negatively impact access to reproductive health services.

5. What might be the fiscal and programmatic implications of this bill for others, and what is likely to be their perspective on it? (for example, public, municipalities, organizations, business, regulated entities, etc)

Other health insurers would be impacted fiscally and programmatically in the same manner as the Exchange as outlined in response #4. Other impact remains to be determined. Testimony from commercial health insurers, providers, and patient advocates would inform our understanding on the broad impact of and others response to this bill.

6. Other Stakeholders:

6.1 Who else is likely to support the proposal and why?

Advocates and consumers who do not support abortion as a covered service and who do not want to participate in a plan that covers abortion services.

6.2 Who else is likely to oppose the proposal and why?

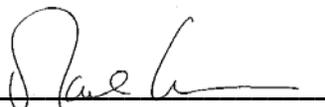
Patient advocates, and consumers

7. Rationale for recommendation: *Justify recommendation stated above.*

This bill would not impact Medicaid coverage.

8. Specific modifications that would be needed to recommend support of this bill: *Not meant to rewrite bill, but rather, an opportunity to identify simple modifications that would change recommended position.*

None

Secretary/Commissioner has reviewed this document:  **Date:** 3/11/14