

FISCAL ESTIMATE
DOA-2048 N

- ORIGINAL
- CORRECTED
- UPDATED
- SUPPLEMENTAL

Subject

This bill requires all health insurers to establish an independent review program for certain plan coverage decisions.

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

Increase Costs - May be possible to Absorb Within Agency's Budget Yes No

- Increase Existing Appropriation
- Decrease Existing Appropriation
- Create New Appropriation
- Increase Existing Revenues
- Decrease Existing Revenues

Decrease Costs

Local: No local government costs

- 1. Increase Costs
 - Permissive
 - Mandatory
- 2. Decrease Costs
 - Permissive
 - Mandatory

- 3. Increase Revenues
 - Permissive
 - Mandatory
- 4. Decrease Revenues
 - Permissive
 - Mandatory

5. Types of Local Governmental Units Affected:
- Towns
 - Villages
 - Cities
 - Counties
 - Others _____
 - School Districts
 - WTCS Districts

Fund Sources Affected

- GPR
- FED
- PRO
- PRS
- SEG
- SEG-S

Affected Ch. 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate

Insurance policy forms will require modification as a result of this bill. OCI regularly reviews policy forms to ensure they comply with state law.

OCI will have one-time fiscal expenses to implement the statute for drafting administrative rules and certifying independent review organizations which can be absorbed by the agency. The bill creates additional fees due the agency for licensing Independent Review Organizations (IROs). The number of IROs anticipated to be licensed under this bill is so small as to have no fiscal effect.

Long-Range Fiscal Implications

None.

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11/05/99