

Fiscal Estimate - 2017 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 17-1150/1	Introduction Number AB-0363
------------------------------------	---

Description
 prohibiting preexisting condition exclusion and setting rates or cost sharing based on preexisting conditions

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input type="checkbox"/> No
<input checked="" type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

Local:

<input type="checkbox"/> No Local Government Costs		
<input checked="" type="checkbox"/> Indeterminate		
1. <input type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs	4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	

Fund Sources Affected	Affected Ch. 20 Appropriations
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	

Agency/Prepared By	Authorized Signature	Date
OCI/ Jeff Grothman (608) 264-6239	J.P. Wieske (608) 266-2493	7/4/2017

Fiscal Estimate Narratives

OCI 7/4/2017

LRB Number	17-1150/1	Introduction Number	AB-0363	Estimate Type	Original
Description prohibiting preexisting condition exclusion and setting rates or cost sharing based on preexisting conditions					

Assumptions Used in Arriving at Fiscal Estimate

This bill prohibits a group health benefit plan, including a self-insured governmental health plan, from imposing a preexisting condition exclusion. The bill also prohibits an individual health insurance policy, known in the bill as a disability insurance policy, from reducing or denying a claim or loss incurred or disability commencing under the policy on the ground that a disease or physical condition existed prior to the effective date of coverage. The bill also prohibits a group or individual health insurance policy or a self-insured governmental health plan from considering whether an individual, including a dependent, who would be covered under the plan has a preexisting condition for the purpose of setting any deductibles, copayments, or coinsurance under the policy or plan.

Because most public health insurance plans already impose a preexisting condition exclusion, OCI feels the provisions of the bill will have a minimal fiscal effect. However, the bill mandates all private group health plans cover preexisting conditions. At this time, the increase costs to the group health insurance market are indeterminate.

Long-Range Fiscal Implications