

Fiscal Estimate - 2001 Session

Original Updated Corrected Supplemental

LRB Number 01-0231/1	Introduction Number AB-674
Subject Require health insurance coverage of smoking cessation treatment	
Fiscal Effect	
State:	
<input checked="" type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs	
Local:	
<input type="checkbox"/> No Local Government Costs <input checked="" type="checkbox"/> Indeterminate	
1. <input checked="" type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input checked="" 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	5. Types of Local Government Units Affected <input checked="" type="checkbox"/> Towns <input checked="" type="checkbox"/> Village <input checked="" type="checkbox"/> Cities <input checked="" type="checkbox"/> Counties <input type="checkbox"/> Others <input checked="" type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
Fund Sources Affected	
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	
Affected Ch. 20 Appropriations	
Agency/Prepared By	
OCI/ Jim Guidry (608) 264-6239	
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Date	
12/26/01	

Fiscal Estimate Narratives

OCI 12/27/01

LRB Number 01-0231/1	Introduction Number AB-674	Estimate Type Original
Subject Require health insurance coverage of smoking cessation treatment		

Assumptions Used in Arriving at Fiscal Estimate

This bill would require group and individual health insurance plans, including defined network plans, health insurance plans offered by the state, and self funded health insurance plans of cities, villages and counties to provide coverage of smoking cessation treatment. Preferred provider plans, limited service health organizations and disability insurance policies that only cover specified diseases are exempted from this bill.

OCI regularly reviews policy forms to ensure they comply with all state laws. OCI does not directly administer insurance plans to state employees and anticipates no direct impact to the agency.

OCI does not have information on the level of coverage for smoking cessation treatment for self-funded local government health plans. The Department of Employee Trust Funds added a limited smoking cessation benefit, effective 1/1/01 to Uniform Benefits, the benefit package offered by all participating HMOs, as well as the Standard Plan II, SMP and Medicare Plus \$100,000. According to the estimates of the Group Insurance Board's actuary, the benefit will cost \$.24 per member per month. Local government health plans could expect similar cost increases.

Long-Range Fiscal Implications