

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 2, 2019

TO: Honorable Eddie Lucio III, Chair, House Committee on Insurance

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: HB937 by Davis, Sarah (relating to health benefit plan coverage of prescription contraceptive drugs.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Insurance Code to require health benefit plans to provide up to a 12-month supply of prescription contraceptive drugs at one time.

While additional costs to a health plan may result in the need for higher contribution rates from the state or members, this analysis assumes that costs could be absorbed using existing resources at the Employees Retirement System, the Teacher Retirement System, the University of Texas System, and the Texas A&M University System. The Texas Department of Insurance indicates that it could absorb the costs associated with the bill within their current resources.

According to the Health and Human Services Commission, any cost to Medicaid would be offset by savings related to averted births and reduced costs for prescriptions provided through the Healthy Texas Women program. Costs to the Children's Health Insurance Program (CHIP) would be minimal because coverage of prescription contraceptives is limited to uses other than the prevention of pregnancy.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 323 Teacher Retirement System, 327 Employees Retirement System, 454 Department of Insurance, 529 Health and Human Services Commission, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration

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