

146TH GENERAL ASSEMBLY

FISCAL NOTE REVISED

BILL: HOUSE BILL NO. 76 AS AMENDED BY HOUSE AMENDMENT NO. 2

SPONSOR: Representative Brady

DESCRIPTION: AN ACT TO AMEND TITLE 18 OF THE DELAWARE CODE RELATING TO HEALTH INSURANCE CONTRACTS AND GROUP AND BLANKET HEALTH INSURANCE.

ASSUMPTIONS:

1. Effective upon renewal or delivery of every group and blanket insurance contract on or after January 1, 2012.
2. This legislation requires all individual and group health insurance policies to provide orthotic and prosthetic devices at a reimbursement rate equal to the Federal reimbursement rate for the aged and disabled.
3. The estimated cost for State compliance with the provisions of the Bill in the self-insured group health plans is based on forecasted current enrollee utilization by plan administrators.
4. According to Plan Administrators, implementation of this Act would amount to approximately \$210,000 for a full year (\$140,700 would be the state share). Since the Fiscal Year 2012 contract for the state employee health plan will be issued prior to January 1, 2012 this legislation does not affect the state plan for Fiscal Year 2012; however should the State Employee Benefits Committee vote to implement this legislation upon passage, the State would incur the entire cost for Fiscal Year 2012. There are non-appropriated special funds available in the Health Fund Surplus to fund this legislation.
5. The cost estimates for Fiscal Years 2013 and 2014 represent the state share (67%) of the estimated basic health insurance policy cost for Fiscal Year 2012 plus an 8% (industry standard) increase to cover inflation in medical costs.

COST

Fiscal Year 2012	\$ - 0 - (\$140,700 NSF – see assumption #4)
Fiscal Year 2013	\$152,000 NSF
Fiscal Year 2014	\$164,160 NSF