152nd GENERAL ASSEMBLY
FISCAL NOTE

BILL:	**HOUSE BILL NO. 274**
SPONSOR:	**Representative K. Williams**
DESCRIPTION:	**AN ACT TO AMEND TITLE 18, TITLE 29, AND TITLE 31 OF THE DELAWARE CODE RELATING TO INSURANCE COVERAGE OF ALLERGEN INTRODUCTION DIETARY SUPPLEMENTS FOR INFANTS.**

Assumptions:

1. This Act becomes effective upon signature by the Governor. Provisions of this Act apply to all health plans, policies, contracts, or certificates issued, renewed, modified, altered, amended, or reissued after December 31, 2025.

2. This Act requires all health plans, including Medicaid and the State Employee Group Health Insurance program (GHIP) to provide coverage, at no cost, of at least one early peanut allergen introduction dietary supplement and at least one early egg allergen introduction dietary supplement.

3. A 2020 study of the American Academy of Allergy, Asthma and Immunology found that "…to prevent peanut and/or egg allergy, both peanut and egg should be introduced around 6 months of life." Therefore, it is assumed an infant would take the supplements through age one (1) year. The current combined cost of a six-month regimen of peanut and egg supplements is estimated at $80.

4. The Office of Statewide Benefits within the Department of Human Resources reported 1,342 births between July 2021 and June 2022 covered by the GHIP. A July 1, 2026, implementation is assumed for the GHIP.

5. The Department of Health and Social Services (DHSS) reported 5,537 births in a one-year period across Medicaid, CHIP, & MCHIP. At this time, the DHSS reports that federal funds are not available for the purchase of these products, therefore it is assumed the State would be responsible for the entire cost of the supplements. A January 1, 2026, implementation is assumed for these programs.

6. Annual health care inflation is assumed at 5%. Annual births are assumed to remain constant.

7. To the extent that the provisions of this Act may be interpreted to constitute an essential health benefit (EHB) on Affordable Care Act (ACA) plans, there may be additional fiscal impacts to the State. Under ACA provisions (45 CFR 155.170), any benefit mandate enacted by the State beyond what is considered an EHB is subject to State defrayal of the estimated associated costs to the ACA plans.

Cost:

Fiscal Year 2025:	Not Applicable
Fiscal Year 2026:	$ 244,181
Fiscal Year 2027:	$ 637,064

Prepared by Robert Scoglietti
Office of the Controller General