

FISCAL NOTE

SB 1677 - HB 1821

March 18, 1999

SUMMARY OF BILL: Requires health insurance plans that include pregnancy-related benefits to cover non-experimental infertility treatment. Certain procedures are covered only after the failure of less costly procedures. The bill exempts TennCare from the mandate.

ESTIMATED FISCAL IMPACT:

Increase Local Govt. Expenditures* - Exceeds \$100,000
Other Fiscal Impact - Increase Expenditures/Health Insurance Industry Exceeds \$100,000**

Assumes increased cost for diagnostic testing, fertility procedures, medications and increased births. The bill will not affect TennCare because it is exempted. The bill would not directly affect the state employee health insurance plan or most local government health plans because self-insured plans are exempted by federal law (ERISA). However, to the extent that such local plans utilize state regulated HMO's they would experience higher costs. Local government health care plans that are not self-funded would be impacted.

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

**The impact on the health industry is included as required by Chapter 244 of the Public Acts of 1989.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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