

State Fiscal Note for Bill
Number: 2022-H-7454

Date of State Budget Office Approval: Thursday, March 24, 2022

Date Requested: Wednesday, February 23, 2022

Date Due: Saturday, March 5, 2022

Impact on Expenditures

| | |
|---------|------------------|
| FY 2022 | \$0 |
| FY 2023 | \$50,000 |
| FY 2024 | Indeterminate/NM |

Impact on Revenues

| | |
|---------|------------------|
| FY 2022 | N/A |
| FY 2023 | Indeterminate/NM |
| FY 2024 | Indeterminate/NM |

Explanation by State Budget Office: This Act amends various sections of the RIGL Chapter 27 with the addition of a new “Special enrollment – Pregnancy” provision. This new provision would establish a special enrollment status for pregnant women to obtain health insurance coverage at any time after the commencement of the pregnancy. This act would take effect on January 1, 2023, and would apply to all health insurance policies issued or renewed thereafter.

Comments on Sources of Funds: This Act may impact the Employee Co-shares and State Medical Insurance contributions to the Health Insurance Internal Service Fund (ISF). This is an impact on all sources of funds. Additionally, this bill would impact the restricted receipt expenditures of Health Source RI, a program under the Department of Administration, which functions as Rhode Island's health benefit exchange.

Summary of Facts and Assumptions: In determining the fiscal impact of the “Special enrollment – Pregnancy” section, there are four areas of State expenditures and revenues to consider: 1.) State Employees Health Insurance (Self Insured Plans), 2.) The Rhode Island Medicaid Program, 3.) Private Health Insurers, and 4.) The Health Source Rhode Island (DOA).

1.) State Employees Health Insurance (Self Insured): This act may produce a nonmaterial increase in State employee benefit costs. Birth and adoption are currently listed as new qualifying events for the State, but not pregnancy. The Office of Employee Benefits (OEB) stated the number of new enrollees would likely be insignificant. Furthermore, the highest cost of pregnancy for the state is premature births, however, expenses related to premature birth already qualify under the State’s special enrollment policy for Birth. The unknown quantity of new qualifying events and/or the number of women who choose to enroll would make the incremental increase of cost of health coverage paid by the State indeterminate, but likely nonmaterial.

2.) Rhode Island Medicaid Program: Medicaid beneficiaries are already permitted to get coverage at any time they become eligible, so there should be no additional expense to the State Medicaid program from this legislative change. As a result, the cost of health coverage paid by the State should not change.

3.) Private Health Insurers: Insurance entities would be impacted by this change because they would be required to allow women to sign up for coverage at any time during the year, upon becoming pregnant, rather than waiting for a scheduled enrollment period. To the extent that pregnant women who are uninsured take

Prepared by: elizabeth.brunner / elizabeth.brunner@omb.ri.gov