

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6639

BILL NUMBER: HB 1111

DATE PREPARED: Feb 22, 2002

BILL AMENDED: Feb 21, 2002

SUBJECT: Coverage for Post-Mastectomy Services.

FISCAL ANALYST: Michael Molnar

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FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: (Amended) This bill adds requirements to certain group accident and sickness insurance policies issued or delivered in another state if a certificate of coverage under the policy is issued to an Indiana resident. The bill specifies that an accident and sickness insurance policy or a health maintenance organization contract that covers a mastectomy must provide coverage for certain post-mastectomy services regardless of whether the individual was covered under the policy or contract at the time of the mastectomy.

This bill requires the Department of Insurance to study the application of certain requirements to additional group accident and sickness insurance policies and report results of the study to the Legislative Council.

Effective Date: July 1, 2002.

Explanation of State Expenditures: *State Health Insurance:* Under the current state plan, there are no preexisting condition exclusions allowed. Thus, an insurance provider is required to provide post-mastectomy services regardless of whether the individual was covered under the policy or contract at the time of the mastectomy.

Study of Requirements: This bill requires the Department of Insurance to conduct a study and report the findings to the Legislative Council by December 31, 2002. The Department shall study the application of requirements applying to additional group policies. The Department states that this provision can be accomplished at no additional cost given current staffing and resources.

Explanation of State Revenues:

Explanation of Local Expenditures: This bill may have a negligible impact on health insurance rates paid by local entities. The effect would vary on a case by case basis depending upon the terms and conditions of

the specific health insurance plan.

Explanation of Local Revenues:

State Agencies Affected: Department of Insurance

Local Agencies Affected: Potentially all.

Information Sources: Greg Thomas, Department of Insurance, (317) 232-2406.