HOUSE COMMITTEE ON APPROPRIATIONS

2009-10 Legislative Session

FISCAL NOTE

HOUSE BILL: 620

PRINTER'S NO: 679

PRIME SPONSOR: Curry

FISCAL IMPACT SUMMARY	FY 2009/10	FY 2010/11
Expenditure Increase/(Decrease):		
General Fund	\$0	\$0

OVERVIEW:

House Bill 620 establishes the Hemophilia Standards of Care Act. Under the act, health insurance policies, contracts, or managed care plans issued by all health care insurers shall provide benefits and health care services for patients with severe bleeding disorders. The Medical Assistance program is not subject to these provisions of the act.

A health care insurer shall provide coverage for services outlined in the act to be provided to persons with bleeding disorders by a State-recognized hemophilia program.

A health care insurer shall contract with pharmacies to provide blood clotting products as prescribed by treating physician. A pharmacy shall supply ancillary infusion equipment sufficient to prepare and infuse the quantity of blood clotting product being dispensed. A health care insurer shall provide to a covered person a choice of at least three full-service home care pharmacies. The Department of Health (DOH) shall compile and distribute, upon request, a list of full-service home care pharmacies which comply with this act. In addition, a patient may obtain blood clotting products and ancillary infusion equipment from any other participating pharmacy and from the 340B program (defined in the act) affiliated with the patient's state-recognized hemophilia program.

Substitutions shall not be made without prior approval by that physician. All FDA-approved blood clotting products shall be included in the insurer's formulary, if applicable. If an insurer requires preapproval or preauthorization of a prescription, it shall be completed within 24 hours or one business day, unless the physician deems the circumstances as urgent.

A health care insurer shall provide payment for all FDA-approved brands of blood clotting products in multiple assay ranges. Also, a health care insurer shall provide payment for blood clotting products as prescribed by the treating physician for in-patient care, out-patient care and the home treatment of bleeding disorders.

The act also requires a physician licensed to provide obstetrical and gynecological services in the Commonwealth to request a medical screening for von Willebrand disease and other bleeding disorders prior to advising an individual that an invasive uterine surgical procedure is the most appropriate treatment for menorrhagia. A health insurer shall provide coverage for this screening.

The DOH may adopt regulations to carry out the provisions of the act.

The act shall take effect in 60 days.

The Hemophilia appropriation within the Department of Health provides comprehensive medical evaluation, treatment, psychosocial support, rehabilitative services, and blood products to eligible children and adults with hemophilia. Under the program, specialized hemophilia clinics offer onsite medical evaluation and treatment, infusion treatments, nutritional counseling, physical therapy, and dental evaluations and treatment.

ANALYSIS:

According to the Department of Public Welfare, enactment would not affect the Medical Assistance program because the program is not defined as an insurer under the act. However, the department notes a potential indirect impact if the program's contracted managed-care organizations (required to cover the services included in the scope of the bill) consider the costs associated with coverage when negotiating rates.

For fiscal year 2008/09, \$1.4 million was appropriated for the Hemophilia program under the Department of Health. The proposed budget for 2009/10 includes \$1.4 million. The department anticipates that it will be able to carry the provisions of the act within its current budget.

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House Appropriations Committee, (D)

DATE: August 4, 2009

General Note and Disclaimer: This Fiscal Note was prepared pursuant to House Rule 19(a), and the elements considered and reported above are required by Section 5 of the rule. Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.