## Department of Planning and Budget 2025 General Assembly Session State Fiscal Impact Statement

PUBLISHED: 3/12/2025 8:35 AM ORIGINAL

Bill Number: HB1923-ER Patron: Ward

**Bill Title:** Health insurance; reimbursement for services rendered by certain practitioners other than

physicians.

**Bill Summary:** Requires health insurers and health service plan providers whose policies or contracts cover services that may be legally performed by a licensed certified midwife or licensed midwife to provide equal coverage for such services. The bill requires the reimbursement for a service provided by a licensed certified midwife or licensed midwife to be in the same amount as the reimbursement paid under the policy to a licensed physician or certified nurse midwife performing such service in the area served, subject to certain conditions.

Budget Amendment Necessary: No. Items Impacted: None.

**Explanation:** The proposed legislation is expected to have an indeterminate fiscal impact for the State

Corporation Commission's (SCC) Bureau of Insurance (BOI). The bill is not expected to have a

fiscal impact on the state health plan or the Department of Medical Assistance Services.

**Fiscal Summary:** The proposed legislation is expected to have an indeterminate fiscal impact for the State Corporation Commission's (SCC) Bureau of Insurance (BOI).

**Fiscal Analysis:** The total impact the provisions of this legislation would have on SCC BOI cannot be determined. The proposed legislation would require pay parity for licensed certified midwives and licensed professional midwives. SCC BOI does not have readily available data to estimate the potential volume of complaints that may be generated from this legislative change and cannot estimate whether it can be absorbed with existing resources. If the provisions of the bill lead to an appreciable increase in complaints, SCC BOI may need additional appropriations, positions, revenue generated from increased rates, or all identified actions.

The proposed legislation would require a new state-mandated health benefit in that it entitles an insured to receive care from licensed certified midwives and licensed midwives. No bill identical or substantially similar bill to HB1923 has been referred to the Health Insurance Reform Commission (HIRC) for assessment. Part of this assessment is conducted by SCC BOI; it includes a determination of whether the proposed state-mandated health benefit is in addition to the essential health benefits (EHBs) under the Patient Protection and Affordable Care Act (ACA). HIRC may then direct SCC BOI to determine what the cost of defrayal payments to health carriers would be if the proposed state-mandated health benefit were enacted. 45 C.F.R. § 155.170 requires the state to defray the cost of state-mandated health benefits that are in addition to EHB. Defrayal payments are made from the general fund and SCC BOI acts as a pass-through entity to make defrayal payments to health carriers; SCC BOI also incurs some administrative costs as part of the defrayal payment process, which is paid for with nongeneral fund appropriations. As no bill identical or substantially similar to

## Department of Planning and Budget 2025 General Assembly Session State Fiscal Impact Statement

HB1923 has undergone an assessment before HIRC, SCC BOI is unable to determine at this time whether HB1923's state-mandated health benefit is in addition to EHB and if so, what the defrayal payment cost would be.

As such, the fiscal impact is indeterminate.

Other: None.