

Department of Planning and Budget
2026 General Assembly Session
State Fiscal Impact Statement

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ORIGINAL

Bill Number: HB490

Patron: Hope

Bill Title: Health insurance; coverage for early refills prescription eye drops.

Bill Summary: Prohibits a health carrier from denying coverage to a covered person of an early refill of prescription eye drops if (i) the prescription eye drops are a covered benefit, (ii) the amount of time that has elapsed from the previous dispensing of such prescription would result in at least 75 percent of such prescription eye drops being used if taken consistently with the prescriber's directions, and (iii) the prescriber has indicated that additional quantities are medically necessary and the refill requested does not exceed such additional quantity. The provisions of the bill are applicable to contracts, policies, or plans delivered, issued for delivery, or renewed in the Commonwealth on and after January 1, 2027.

Budget Amendment Necessary: Yes

Items Impacted: 469

Explanation: Additional general fund amounts would be needed to fund additional costs to the Health Insurance Fund. The amount required is currently unknown and would depend on the actual costs incurred as a result of this legislation.

Fiscal Summary: Preliminary - This legislation will likely result in additional costs to the Health Insurance Fund, which pays health insurance claims for state employees. The Health Insurance Fund is funded through a mix of premiums charged to state employees, the general fund, and nongeneral fund sources. Based on estimates provided by DHRM, the general fund impact could be approximately \$97,000 but will be dependent on actual utilization.

Fiscal Analysis: This legislation would allow covered persons to receive an early refill of prescription eye drops under certain conditions. The Department of Human Resource Management (DHRM) estimates that the provisions of this bill will result in those with eligible prescriptions on the state employee health plan filling approximately one extra prescription per plan year. The aggregate cost of those prescriptions is estimated to cost approximately \$229,000. This amount could be higher or lower, depending on actual utilization.

Additional costs for such prescriptions will be paid out of the Health Insurance Fund (HIF), which is funded through premiums charged to state employees and their employing agencies. Agencies use general fund, nongeneral fund, or some combination of the two to make these premiums, depending on the fund sources available to the agency and from which source the employee is regularly paid. A portion of these costs, approximately 15 percent, would be paid by members of the state employee health plan, either through co-pays, co-insurance, or increased premiums. The remaining 85 percent would be charged to state agencies through higher premiums, which are currently paid 50 percent from the general fund and 50 percent from

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nongeneral fund sources. Increased health insurance premiums would require additional general fund appropriation be provided to state agencies.

Other: None.