

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

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**ORIGINAL**

**Bill Number:** HB1389

**Patron:** Carroll

**Bill Title:** Health insurance; coverage for standard fertility preservation procedures.

**Bill Summary:** Requires health insurance carriers to provide coverage for standard fertility preservation procedures. The bill provides that "standard fertility preservation procedures" means procedures to preserve fertility that are consistent with established medical practices and professional guidelines published by the American Society for Reproductive Medicine or the American Society of Clinical Oncology for a person who has cancer, sickle cell disease, or other medical condition or is expected to undergo medication therapy, surgery, radiation, chemotherapy, or other medical treatment that is recognized by medical professionals to cause a risk of impairment to fertility.

**Budget Amendment Necessary:** Yes

**Items Impacted:** 75, 469

**Explanation:** Budget amendments would be needed to provide the Health Insurance Fund with more nongeneral fund appropriation and to provide for the general fund impact to state agencies of increased health insurance premiums.

**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 total estimated impact to the Fund is \$14.1 million, a portion of which would be supported by the general fund. The Health Insurance Fund is funded through a mix of premiums charged to state employees, the general fund, and nongeneral fund sources.

**General Fund Expenditure Impact:**

<u>Agency</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>	<u>FY2031</u>
Central Appropriations	\$0	\$6.0 million (estimated)	\$6.0 million (estimated)	\$6.0 million (estimated)	\$6.0 million (estimated)	\$6.0 million (estimated)
<b>TOTAL</b>	<b>\$0</b>	<b>\$6.0 million (estimated)</b>	<b>\$6.0 million (estimated)</b>	<b>\$6.0 million (estimated)</b>	<b>\$6.0 million (estimated)</b>	<b>\$6.0 million (estimated)</b>

**Nongeneral Fund Expenditure Impact:**

<u>Agency</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>	<u>FY2031</u>
Administration of Health Insurance (DHRM)	\$0	\$14.1 million	\$14.1 million	\$14.1 million	\$14.1 million	\$14.1 million
<b>TOTAL</b>	<b>\$0</b>	<b>\$14.1 million</b>	<b>\$14.1 million</b>	<b>\$14.1 million</b>	<b>\$14.1 million</b>	<b>\$14.1 million</b>

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**Fiscal Analysis:** The Department of Human Resource Management (DHRM) indicates that this legislation is expected to have an impact on the state employee health plan. DHRM estimates approximately 940 such procedures occurring annually. The cost of fertility procedures averages approximately \$15,000. Based on these inputs, the annual impact to the state employee health insurance plan would be \$14.1 million. Actual costs could be higher or lower, depending on the actual utilization.

Additional costs incurred from these changes 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 nongeneral fund sources. Increased health insurance premiums would require additional general fund appropriation be provided to state agencies. Based on the estimates provided above, agencies would require approximately \$6.0 million from the general fund to support increased health insurance premiums.

**Other:** None.