

# Preliminary

Consolidated Fiscal Note

2021-2022 Legislative Session

**HF648 - 1A - Health Plans Prohibited from Limiting Opioid Tests**

Chief Author: **Erin Koegel**  
 Committee: **State Government Finance and Policy**  
 Date Completed:  
 Lead Agency: **Commerce Dept**  
 Other Agencies:  
     Health Dept                      Human Services Dept  
     Minn Management and Budget      MNSure

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
<b>Local Fiscal Impact</b>		
		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025
State Total						
<b>Total</b>	-	-	-	-	-	-
<b>Biennial Total</b>			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2021	FY2022	FY2023	FY2024	FY2025
<b>Total</b>	-	-	-	-	-

**Lead LBO Analyst's Comment**

LBO Signature:      Date:  
 Phone:                Email:

# Preliminary

## State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

\*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2 Dollars in Thousands	Biennium			Biennium	
	FY2021	FY2022	FY2023	FY2024	FY2025
<b>Total</b>	-	-	-	-	-
<b>Biennial Total</b>			-		-
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>					
<b>Total</b>	-	-	-	-	-
<b>Biennial Total</b>			-		-
<b>2 - Revenues, Transfers In*</b>					
<b>Total</b>	-	-	-	-	-
<b>Biennial Total</b>			-		-

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 Date Completed:  
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State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		
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State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025
<b>Total</b>	-	-	-	-	-	-
<b>Biennial Total</b>			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2021	FY2022	FY2023	FY2024	FY2025
<b>Total</b>	-	-	-	-	-

### LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

**LBO Signature:** Christian Larson    **Date:** 3/3/2021 2:16:23 PM  
**Phone:** 651-284-6436    **Email:** christian.larson@lbo.leg.mn

# Preliminary

## State Cost (Savings) Calculation Details

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\*Transfers In/Out and Absorbed Costs are only displayed when reported.

<b>State Cost (Savings) = 1-2</b>		Biennium			Biennium	
Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025	
<b>Total</b>	-	-	-	-	-	-
<b>Biennial Total</b>			-			-
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>						
<b>Total</b>	-	-	-	-	-	-
<b>Biennial Total</b>			-			-
<b>2 - Revenues, Transfers In*</b>						
<b>Total</b>	-	-	-	-	-	-
<b>Biennial Total</b>			-			-

## Bill Description

House File 648-1A propose limiting health plan companies from imposing limitations on coverage for screening and testing for opioids. The bill prohibits health plan companies from placing lifetime or annual limits on screenings for opioids when an enrollee is in an inpatient or outpatient substance use disorder program. The limitations imposed by the bill do not prohibit health plan companies from performing medical necessity reviews.

## Assumptions

Commerce assumes the requirements of HF 648-1A do not constitute a new benefit mandate as understood under Section 1311(d)(3) of the ACA. Under the ACA, new benefit mandates not included as essential health benefits (EHBs) specified under section 1302(b) added by state law after December 31, 2012 require the state to defray health plan costs associated with providing coverage to enrollees. Section 1311(d)(3) specifies that the state is not required to defray costs of new benefit mandates when unrelated to specific care, treatment, or services. HF 648-1A restricts health plan companies from imposing treatment limitations on services that would need to be covered under the EHB package. The bill does not add any new benefit related to specific care, treatment, or services.

Thus, Commerce assumes that House File 648-1A will not have a fiscal impact on the agency. Agency staff reviewing health plan company forms and rates filings would be required to add the new statutory requirements in HF 648-1A to any existing checklists and review for compliance. Under current conditions, work required by HF 648-1A would not add to or deviate from the existing overall role agency staff have in the review of health plan company filings.

## Expenditure and/or Revenue Formula

N/A

## Long-Term Fiscal Considerations

## Local Fiscal Impact

## References/Sources

### Agency Contact:

Agency Fiscal Note Coordinator Signature: Amy Trumper

Date: 3/3/2021 2:04:36 PM

# Preliminary

**Phone:** 651-539-1517

**Email:** amy.trumper@state.mn.us

# Preliminary

**Fiscal Note**

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**HF648 - 1A - Health Plans Prohibited from Limiting Opioid Tests**

Chief Author: **Erin Koegel**  
 Committee: **State Government Finance and Policy**  
 Date Completed:  
 Agency: **Minn Management and Budget**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

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	Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025
<b>Total</b>	-	-	-	-	-	-
<b>Biennial Total</b>			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium		
		FY2021	FY2022	FY2023	FY2024	FY2025
<b>Total</b>	-	-	-	-	-	-

**LBO Analyst's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

**LBO Signature:** Joe Harney      **Date:** 3/3/2021 3:10:53 PM  
**Phone:** 651-284-6438      **Email:** joe.harney@lbo.leg.mn

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## State Cost (Savings) Calculation Details

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<b>Total</b>	-	-	-	-	-
<b>Biennial Total</b>			-		-
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>					
<b>Total</b>	-	-	-	-	-
<b>Biennial Total</b>			-		-
<b>2 - Revenues, Transfers In*</b>					
<b>Total</b>	-	-	-	-	-
<b>Biennial Total</b>			-		-

## Bill Description

This bill prohibits health plans from placing annual or lifetime limits on screenings and urinalysis testing for opioids for members in an inpatient or outpatient substance use disorder treatment program, when ordered by a health care provider and performed by an accredited clinical laboratory. A health plan administrator may conduct medical necessity review when screenings or urinalysis testing for a member exceeds 24 tests within a 12-month period.

## Assumptions

Minnesota Management and Budget (MMB) administers the State Employee Group Insurance Program (SEGIP) which provides health, dental, life and other benefits to eligible State employees and their dependents, and other groups including quasi-state agencies under the legislative authority provided in Minnesota Statutes 43A. Health benefits are provided through the self-funded Minnesota Advantage Health Plan. SEGIP contracts with three health plan administrators to administer medical benefits and a Pharmacy Benefit Manager (PBM) to administer its prescription drug benefit.

SEGIP has made several assumptions while assessing the potential fiscal impact of this bill:

- Utilization patterns of screening and urinalysis testing for opioids will remain the same among SEGIP's membership.
- The language of this bill implies medical necessity for the screening and urinalysis testing.
- The language of this bill does not cover full drug panels or daily urinalysis testing just because opioids are a component of those tests.

SEGIP does not expect a fiscal impact from this legislation. Under the Minnesota Advantage Plan, SEGIP's health plan administrators do not limit screenings or urinalysis testing for opioids when those procedures are performed at in-network laboratories.

## Expenditure and/or Revenue Formula

## Long-Term Fiscal Considerations

## Local Fiscal Impact

## References/Sources

# Preliminary

Program Information and claims data from SEGIP, administered by MMB.

**Agency Contact:** Lorna Smith, 651-259-3604

**Agency Fiscal Note Coordinator Signature:** Paul Moore

**Phone:** 651-201-8004

**Date:** 3/3/2021 1:13:47 PM

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# Preliminary

Fiscal Note

2021-2022 Legislative Session

## HF648 - 1A - Health Plans Prohibited from Limiting Opioid Tests

Chief Author: **Erin Koegel**  
 Committee: **State Government Finance and Policy**  
 Date Completed:  
 Agency: **MNsure**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		
		X

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<b>Total</b>	-	-	-	-	-	-
<b>Biennial Total</b>			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2021	FY2022	FY2023	FY2024	FY2025
<b>Total</b>	-	-	-	-	-

### LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

**LBO Signature:** Adam Blom      **Date:** 3/3/2021 1:57:42 PM  
**Phone:** 651-284-6542      **Email:** adam.blom@lbo.leg.mn

# Preliminary

## State Cost (Savings) Calculation Details

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	FY2021	FY2022	FY2023	FY2024	FY2025
<b>Total</b>	-	-	-	-	-
<b>Biennial Total</b>			-		-
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>					
<b>Total</b>	-	-	-	-	-
<b>Biennial Total</b>			-		-
<b>2 - Revenues, Transfers In*</b>					
<b>Total</b>	-	-	-	-	-
<b>Biennial Total</b>			-		-

## Bill Description

This bill prohibits health insurance carriers from placing a lifetime or annual limit on testing for opioids for enrollees in an inpatient or outpatient substance use disorder treatment program, but permits medical necessity reviews when testing for enrollees exceeds 24 tests in any 12-month period. This applies to health plans offered, issued or renewed on or after January 1, 2022.

## Assumptions

This bill would result in no direct fiscal impact to MNsure; however, changes in plan premiums, plan choice, or plan enrollment could have an effect on the amount of revenue MNsure generates through its premium withhold. An actuarial study would need to be conducted to determine the impact to health insurance premiums, plan choice, or plan enrollment caused by the prohibition of a lifetime or annual limit on opioid testing as described in the bill.

## Expenditure and/or Revenue Formula

## Long-Term Fiscal Considerations

## Local Fiscal Impact

## References/Sources

I have reviewed the content of this fiscal note and believe it is a reasonable estimate of the expenditures and revenues associated with this proposed legislation.

If Information Technology costs are included, my agency's Chief Information Officer has reviewed the estimate.

**Agency Contact:** Anna Burke (651-539-1332)

**Agency Fiscal Note Coordinator Signature:** Mubarek Abdi

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