

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 529

DATE: March 22, 2007

Version: First engrossment

Authors: Thao and others

Subject: Insurance and Medical Assistance coverage of special dietary formula

Analyst: Tom Pender, 651-296-1885

This publication can be made available in alternative formats upon request. Please call 651-296-6753 (voice); or the Minnesota State Relay Service at 1-800-627-3529 (TTY) for assistance. Summaries are also available on our website at: www.house.mn/hrd.

Overview

This bill requires that private health insurance and Medical Assistance cover special dietary formulas for persons who have inborn metabolic errors and amino-acid based elemental formulas, which are hypoallergenic nutritional formulas needed to provide nutrition to individuals who have certain diseases.

Section

1 Coverage for certain dietary formulas.

Subd. 1. Scope of coverage. Provides that this section applies to health insurance policies, HMO contracts, and all other all types of "regular" private sector health coverage that the state can regulate.

Subd. 2. Required coverage for special dietary formula for inborn errors of metabolism. Expands an existing requirement that health insurance cover dietary treatment of phenylketonuria (known as "PKU"). The expansion adds coverage for dietary formulas for all other conditions involving inborn errors of metabolism, in addition to PKU. Adds a requirement that the use of the dietary formula be "essential to the treatment" of any such condition, including PKU.

Subd. 3. Required coverage. (a) For amino acid-based elemental formulas for certain conditions requires that every type of health coverage included in subdivision 1 must cover amino-acid based elemental formulas when ordered by a physician for

Section

any one of the seven diseases listed in the bill. Makes this requirement effective for health coverage issued or renewed after August 1, 2007.

(b) Permits insurers to require prior authorization. Permits but does not require coverage while physician is actively seeking diagnosis.

(c) Prohibits health coverage from applying enrollee cost-sharing on amino-acid based elemental formulas that is higher than the health coverage applies to other non-preventive treatments.

2 **Amino-acid based elemental formulas.** Requires Medical Assistance to provide the same coverage required under section 1, subdivision 3, of this bill.