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# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

**H.B. 271**  
**136<sup>th</sup> General Assembly**

## **Fiscal Note & Local Impact Statement**

[Click here for H.B. 271's Bill Analysis](#)

**Version:** As Introduced

**Primary Sponsors:** Reps. Schmidt and Williams

**Local Impact Statement Procedure Required:** Yes

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### **Highlights**

- The bill requirements and prohibitions would likely increase costs to the state to provide health benefits to employees and their dependents by an undetermined amount. Any increase in costs to the state health benefit plan would be paid from the Health Benefit Fund (Fund 8080). Fund 8080 receives funding through state employee payroll deductions and state agency contributions toward their employees' health benefits, which come out of the GRF and various other state funds.
- The bill requirements and prohibitions would likely increase costs to local governments to provide health benefits to employees and their dependents by an undetermined amount. Any local government that already complies with the bill provisions would experience no cost increase.
- The Ohio Department of Medicaid may experience increased service costs due to the bill's coverage and cost-sharing requirements, including the specification of coverage for all Medicaid-eligible adults. If the federal government approves the coverage, these additional costs will be shared between the state and federal governments.
- The Ohio Department of Health will have administrative costs involved in notifying hospitals and physicians in the state according to the bill's notification requirements.

### **Detailed Analysis**

#### **Health insurance**

The bill requires health insurers to provide coverage, including expenses for a diagnostic breast examination for an adult individual who meets certain conditions. The bill prohibits health insurers from imposing cost-sharing requirements on covered breast or cervical cancer

screenings and examinations. The bill modifies the reimbursement rate for breast cancer screenings. The bill also modifies definitions of screening mammography and supplemental breast cancer screening and replaces references regarding coverage of breast cancer screenings for adult women to adult individuals. Under the bill, health insurers include health insuring corporations, sickness and accident insurers, and public employee benefit plans.

The bill includes provisions that exempt its requirements from an existing requirement regarding mandated health benefits.<sup>1</sup>

The bill requirements and prohibitions would likely increase costs to the state and local governments to provide health benefits to employees and their dependents by an undetermined amount. Currently, the [state employee health benefit plan \(PDF\)](#) requires coinsurance (i.e., cost sharing) for a diagnostic test. Any increases in such costs are undetermined and would depend on the number of adults who would utilize such breast or cervical cancer screenings and examinations and the costs of such coverage. Any increase in costs to the state health benefit plan would be paid from the Health Benefit Fund (Fund 8080). Fund 8080 receives funding through state employee payroll deductions and state agency contributions toward their employees' health benefits, which come out of the GRF and various other state funds. Any local government that already complies with the bill provisions would experience no cost increase.

## Medicaid coverage and cost sharing

The bill makes the same requirements and prohibitions for Ohio's Medicaid Program as it makes for health insurers. Ohio's Medicaid Program must cover a diagnostic breast examination for any adult Medicaid recipient with a discovered qualifying abnormality, and it may not impose cost-sharing requirements on any of the specified screening or diagnostic procedures the Medicaid recipient receives to address breast or cervical cancer concerns. The specific coverage of all adult Medicaid recipients, as opposed to only female Medicaid recipients, is a change made by the bill.

In general, Ohio's Medicaid Program covers mammography services for women over 35 years of age. Currently, the Ohio Department of Medicaid (ODM) covers three-dimensional (3D) mammography for patients with dense breast tissue, and supplemental breast cancer screenings for those at high risk of breast cancer or abnormal mammography results. Most medical care provided to Medicaid recipients already does not require a co-pay, other than specific services such as dental and eye examinations and prescription refills.

To the extent the bill increases the scope of diagnostic breast procedures that Medicaid recipients are eligible to receive, ODM will likely incur service cost increases. ODM may also incur service cost increases if the bill expands diagnostic breast imaging services to male Medicaid recipients who were not previously eligible. If the federal government approves the coverage,

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<sup>1</sup> Under existing law, no mandated health benefits legislation enacted by the General Assembly after January 14, 1993, may be applied to sickness and accident or other health benefits policies, contracts, plans, or other arrangements until the Superintendent of Insurance determines that the provision can be applied fully and equally in all respects to employee benefit plans subject to regulation by the federal Employee Retirement Income Security Act of 1974 (ERISA) and employee benefit plans established or modified by the state or any political subdivision of the state or by any agency or instrumentality of the state or any political subdivision of the state.

these service cost increases will be a shared expense between the state and federal governments. Typically, the federal government reimburses approximately 64% of eligible Medicaid service expenditures.

## **Department of Health notices**

The bill requires the Director of Health to notify each hospital and physician of the bill's new requirements and sets standards for how this notification by certified mail must be organized and delivered to physicians and hospitals in the state. The Ohio Department of Health will incur administrative costs to develop and distribute these notifications.