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FISCAL IMPACT REPORT

ORIGINAL DATE 2/26/19

SPONSOR Padilla **LAST UPDATED** _____ **HB** _____

SHORT TITLE Chiropractic Cost Sharing Limits **SB** 411

ANALYST Martinez

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY19	FY20	FY21	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		See Fiscal Impact	See Fiscal Impact	See Fiscal Impact	See Fiscal Impact	See Fiscal Impact

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Retiree Health Care Authority (NMRHCA)

New Mexico Public School Insurance Authority (NMPSIA)

SUMMARY

Synopsis of Bill

SB411 seeks to enact sections of the Health Care Purchasing Act, the New Mexico Insurance Code, the Health Maintenance Organization Law and the Nonprofit Health Care Plan Law to include new material that reads: Group health coverage, including any form of self-insurance, offered, issued or renewed that offers coverage of the services of a chiropractic physician shall not impose a copayment or coinsurance on those chiropractic physician services that exceeds the copayment or coinsurance imposed for primary care services.

FISCAL IMPLICATIONS

SB411 does not carry an appropriation.

The New Mexico Public School Insurance Authority provided the following:

Based on the current utilization for Chiropractic physician services under the self-insured NMPSIA medical plan, NMPSIA determined the cost impact for lowering the chiropractic physician services copayment from \$50 per visit to \$30 to mirror the primary care copayment would result in \$454,000 annual increase to claims.

The New Mexico Retiree Health Care Authority provided the following:

NMRHCA is self-insured for its pre-Medicare population (17,000 members). All plans currently offer chiropractic services subject to coinsurance, as opposed to a flat copay for primary care charges. In order to insure that there is no financial impact to the program, NMRHCA may need to increase the copay amounts for primary care services to offset the difference between paying a flat dollar amount vs. a percent of the total cost.

JM/gb