

### Fiscal Estimate - 2005 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>05-0434/1</b>	<b>Introduction Number</b> <b>AB-799</b>	
<b>Description</b> Health insurance coverage of smoking cessation treatment and medications		
<b>Fiscal Effect</b>		
<b>State:</b> <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> <input type="checkbox"/> Increase Existing Appropriations  <input type="checkbox"/> Decrease Existing Appropriations  <input type="checkbox"/> Create New Appropriations                 </div> <div style="width: 30%;"> <input type="checkbox"/> Increase Existing Revenues  <input type="checkbox"/> Decrease Existing Revenues                 </div> <div style="width: 30%;"> <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget  <div style="display: flex; justify-content: space-around;"> <input type="checkbox"/> Yes      <input checked="" type="checkbox"/> No                     </div> <input type="checkbox"/> Decrease Costs                 </div> </div>		
<b>Local:</b> <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;">                     1. <input checked="" type="checkbox"/> Increase Costs  <input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory                      2. <input type="checkbox"/> Decrease Costs  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory                 </div> <div style="width: 30%;">                     3. <input type="checkbox"/> Increase Revenue  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory                      4. <input type="checkbox"/> Decrease Revenue  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory                 </div> <div style="width: 30%;">                     5. Types of Local Government Units Affected  <input checked="" type="checkbox"/> Towns      <input checked="" type="checkbox"/> Village      <input checked="" type="checkbox"/> Cities  <input checked="" type="checkbox"/> Counties      <input checked="" type="checkbox"/> Others      <input checked="" type="checkbox"/> Special districts  <input checked="" type="checkbox"/> School Districts      <input checked="" type="checkbox"/> WTCS Districts                 </div> </div>		
<b>Fund Sources Affected</b> <b>Affected Ch. 20 Appropriations</b> <input checked="" type="checkbox"/> GPR <input checked="" type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input checked="" type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input checked="" type="checkbox"/> SEGS		
<b>Agency/Prepared By</b> ETF/ Jon Kranz (608) 267-0908	<b>Authorized Signature</b> Dave Stella (608) 266-3641	<b>Date</b> 11/11/2005

## Fiscal Estimate Narratives

ETF 11/11/2005

LRB Number	<b>05-0434/1</b>	Introduction Number	<b>AB-799</b>	Estimate Type	<b>Original</b>
<b>Description</b> Health insurance coverage of smoking cessation treatment and medications					

### Assumptions Used in Arriving at Fiscal Estimate

This bill would require that health plans offered by the Group Insurance Board (GIB) to offer coverage of certain smoking cessation treatments. Currently, the plans offered by the GIB cover a portion of the treatments required by the bill. Over-the-counter products and some counseling sessions that would be required by the bill are not presently covered services.

Based on information provided by the GIB consulting actuary, the estimate cost of providing these additional benefits is estimated to be \$.15 per member per month. For state employers, this additional premium cost is estimated to be \$289,800 annually (161,000 covered lives x \$.15 x 12 months). For participating local employers, the additional premium cost is estimated to be \$45,000 annually (25,000 covered lives x \$.15 x 12 months).

The Department anticipates that this bill would generate no additional administrative costs.

### Long-Range Fiscal Implications