

**HB 2432**

**Relating to cost-sharing for coverage of maternal diabetes management**

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Diabetic women who become pregnant have a higher risk of birth abnormalities, in utero or neonatal demise, as well as delivery problems as a result of the fetus' exposure to high blood sugars. These women also face a higher risk of pre-eclampsia, placenta previa, and other conditions than non-diabetic women.

Women on the Oregon Health Plan have little or no co-pays for the necessary diabetes medications and supplies during pregnancy. However, women with commercial insurance often face financial hardship due to co-pays from the increased testing requirements, prescriptions, supplies, equipment, and required weekly visits to check and/or adjust their insulin doses.

HB 2432 prohibits a health benefit plan from imposing additional copayments, coinsurance requirements, or deductibles on covered health services, medications or supplies that are medically necessary for a woman to manage her diabetes during conception and for six weeks postpartum in policies issued or renewed on or after January 1, 2014

The Human Services Subcommittee recommends HB 2432 be reported out "do pass".

Joint Committee on Ways and Means

Carrier – House: Rep. Gelser  
Carrier – Senate: Sen. Steiner Hayward

**Revenue:** No revenue impact

**Fiscal:** Fiscal statement issued

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**Action:** Do Pass the A-Engrossed Measure

**Vote:**

House

Yeas:

Nays:

Exc:

Senate

Yeas:

Nays:

Exc:

**Prepared By:** Kim To, Legislative Fiscal Office

**Meeting Date:** June 21, 2013

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**WHAT THE MEASURE DOES:** Prohibits health benefit plans from imposing copayment, coinsurance requirement or deductible on covered health services, medications or supplies medically necessary for management of diabetes from conception through six weeks postpartum. Clarifies cost-sharing prohibition is for health services, medications and supplies medically necessary for pregnant woman to manager her diabetes. Declares an emergency, effective on passage.

**ISSUES DISCUSSED:**

- Other Funds fiscal impact

**EFFECT OF COMMITTEE AMENDMENT:** No amendment.

**BACKGROUND:** Diabetic women who become pregnant have a higher risk of birth abnormalities, in utero or neonatal demise, as well as delivery problems as a result of the fetus' exposure to high blood sugars. Generally, these women also face a higher risk of pre-eclampsia, placenta previa and other conditions than non-diabetic pregnant women. Diabetic women who become pregnant require increased testing, prescriptions, supplies, equipment and required weekly visits to ensure their health and safety. Proponents assert that these women with commercial insurance face increased barriers to accessing the necessary pre-natal care.

House Bill 2432-A prohibits cost sharing for health services, medications and supplies medically necessary for a pregnant woman to manager her diabetes from conception to six weeks postpartum.

Seventy-Seventh Oregon Legislative Assembly – 2013 Regular Session  
Legislative Fiscal Office

***Only Impacts on Original or Engrossed  
Versions are Considered Official***

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Prepared by: Kim To  
Reviewed by: Linda Ames, Susie Jordan  
Date: 4/9/2013

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**Measure Description:**

Prohibits cost-sharing for health services, medications and supplies medically necessary for management of diabetes during pregnancy and for six weeks postpartum.

**Government Unit(s) Affected:**

Oregon Health Authority (OHA), Department of Consumer and Business Services (DCBS)

**Local Government Mandate:**

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

**Analysis:**

HB 2432 prohibits health benefit plans from imposing cost sharing (copayment, coinsurance, deductible) on covered health services, medications or supplies that are medically necessary for diabetes management for pregnant women at conception and for six weeks postpartum. This requirement applies to health benefit plans issued or renewed on or after January 1, 2014. The bill contains an emergency clause and takes effect on its passage.

Note that the bill does not specify if coverage is intended for [1] mothers who were previously diabetic (type I or II); [2] those with gestational diabetes resulting from pregnancy; or [3] both. Also note that "health services" is not defined.

Oregon Health Authority (OHA)

Passage of this bill is anticipated to result in additional premium increases to the Oregon Educators Benefit Board (OEBB) medical plans. Currently, member cost sharing is included in OEBB coverage of diabetic supplies and medications. According to ODS Health Plans (OEBB's largest insurance carrier), removing cost sharing could result in an additional premium increase of less than 0.1 percent to the OEBB medical plans ODS administers. Assuming the impact on all OEBB medical plans is consistent with this ODS estimate, OHA calculates that passage of this bill could result in an estimated \$612,465 Other Funds Non-Limited increase to medical premium rates for the 2013-15 biennium; and \$1,224,929 Other Funds Non-Limited for the 2015-17 biennium.

Note that the Oregon Educators Revolving Fund (ORS 243.884) authorizes OEBB to collect employee and employer contributions for pass-thru of benefit premiums to insurance carriers for eligible members. Any proposed legislation resulting in a fiscal impact on revenues or expenditures with regard to insurance premiums provided by OEBB will impact any educational entity that has mandated or elective coverage under OEBB. These entities include school districts, community colleges, education service districts and some charter schools.

Passage of this bill will have no fiscal impact on the Public Employees' Benefit Board (PEBB) because PEBB plans currently cover these services as medically necessary at the prescribed benefit level.

Department of Consumer and Business Services (DCBS)

DCBS anticipates a minimal fiscal impact from the workload associated with rulemaking, consumer education, and enforcement associated with passage of this bill.