

BILL SUMMARY
1st Session of the 55th Legislature

Bill No.:	SB 648
Version:	Engrossed
Request Number:	
Author:	Rep. R. McDaniel
Date:	3/25/2015
Impact:	Potential Savings: Between \$4,000,000 and \$8,000,000

Research Analysis

SB 648 removes some restrictions on how a state employee health insurance plan may apply deductibles, copayments or coinsurance. The measure also provides that these may be based on costs rather than only on outcomes.

Prepared By: Sean Webster

Fiscal Analysis

The measure removes the restriction on HealthChoice plan designs which are currently prohibited from including different member cost-sharing (deductibles, co-payments, and co-insurance) features for different providers performing the same service. Removing this restriction would allow for plan designs that incentivize patients to utilize lower cost providers where appropriate. Depending on plan design incentives and patient choices, total annual savings resulting from a shift to lower cost providers is estimated to total approximately \$4 to \$8 million under current HealthChoice network provider contracts.

Prepared By: Nicole McPhetridge

Other Considerations

None.