

PURPOSE OF BILL HB1252

To modify the Arkansas Health Care Consumer Act; and to require coverage for prosthetic devices for athletics or recreation and prosthetic devices for showering or bathing.

ACTUARIAL STATEMENT

The Fiscal Impact Statement was prepared according to generally accepted actuarial principles and practices, in compliance with ACT 112. The Statement provides an estimate of the financial and actuarial effect of the proposed change(s) on the Plans, if possible. The Statement makes no comment or opinion with regard to the merits of the measure for which the Statement is prepared; however, any identified technical or mechanical defects have been noted.

We have reviewed the input and results of our analysis for reasonableness and relied upon the data and information provided by the Plans and their Claims Processing Contractors.

A handwritten signature in black ink, appearing to read "Patrick Klein".

3/10/2023

Patrick Klein, FSA, MAAA
Vice President

Date

A handwritten signature in black ink, appearing to read "Matthew Kersting".

3/10/2023

Matthew Kersting, FSA, MAAA
Vice President

Date

PROJECTED COSTS

Plan	Plan Design Change	Estimated Cost (as a % of Medical Spend)
EBD	Cover Prosthesis for Athletics or Recreation and for Showering or Bathing	Immaterial Impact
UOA	No Change	No Impact
ASU	No Change	No Impact
UCA	No Change	No Impact
AHEC	No Change	No Impact
NWACC	No Change	No Impact
SAU	No Change	No Impact

PRICING APPROACH AND COMMENTS

House Bill 1252 requires that self-insured plans expand coverage of prosthetic devices to include coverage for prosthetic devices for athletics and recreation, and prosthetic devices for showering or bathing. All health plans, except EBD, confirmed that prosthetic devices for athletics and recreation and prosthetic devices for showering or bathing are currently covered as part of the plan. EBD currently covers prosthetic devices only for basic life activities.

EBD provided historical cost and utilization information that were used in combination with publicly available data to develop estimates of the total impact to the plan. EBD's historical cost information demonstrated an approximate cost of \$3 per 1,000 members for this coverage. Based on the utilization information provided by EBD and publicly available data, the additional cost of covering prosthetic devices for athletics and recreation and prosthetic devices for showering or bathing is immaterial.