

## PURPOSE OF BILL: HB 1014

To require coverage of in-vitro fertilization (IVF) under the State Healthcare Plans.

## 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.

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3/13/2025

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Patrick Klein, FSA, MAAA  
Vice President, Segal

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Date

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

3/13/2025

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Matthew Kersting, FSA, MAAA  
Vice President, Segal

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Date

## PROJECTED COSTS

Plan	Plan Design Change	Estimated Cost/(Savings)
EBD	Providing IVF coverage	\$5 - \$10 million

## PRICING APPROACH AND COMMENTS

Currently, Arkansas mandates coverage for in vitro fertilization (IVF) with exceptions. The State and Public School Life and Health Insurance Program is currently except and no coverage is offered. House Bill 1014 would require EBD to include IVF coverage. Direct costs to the plan for IVF coverage can include medical and pharmacy costs per IVF cycle including monitoring appointments, ovarian stimulation medications, egg retrieval, fertilization, embryo transfer, laboratory fees, anesthesia, and any additional procedures like genetic testing or sperm extraction. Indirect costs will include prenatal care and delivery for babies born as a result of IVF.

In 2024, cost of an IVF cycle ran between \$15,000 and \$20,000. Applying medical trend and normal cost sharing provisions, the expected cost to the plan in CY 2026 is projected at \$14,000 to \$18,000, per cycle. We assumed a range of 2 to 3 cycles per utilizing member based on the market average of 2.5 cycles.

Market data suggests approximately 0.5% of women childbearing age are expected to use IVF annually. We applied a factor to increase the population wide utilization rate from 0.5% to 0.6% to reflect EBD offering insurance coverage to their members.

The total cost of IVF treatments for EBD are projected to be between \$5 to \$10 million. There is a potential indirect cost for an increased number of pregnancies which is not included in the impact range.

The bill states that the EBD director will set minimum and maximum coverage limits. This could reduce the projected costs if EBD elects to place a lifetime limit on the number of covered IVF cycles per member, a dollar cap, or other limits.