

**Kentucky Department of Insurance**  
**Financial Impact Statement**  
**BR 1529 SB 179**

I. Mandating health insurance coverage of SB 179 is not expected to materially impact administrative expenses of insurers, based upon our analysis of the proposed mandate and our experience with similar health insurance benefits. The mandate requires health benefit plans that provide cancer-related health care services to also provide coverage for fertility preservation services to cancer patients under the age of forty-two (42). The required coverage includes evaluation expenses, laboratory assessments and treatments associated with oocyte and sperm cryopreservation procedures, including first year storage costs. Health benefit plans with prescription drug coverage shall also provide coverage for medications associated with oocyte and sperm cryopreservation procedures.

Mandating health insurance coverage of SB 179 will increase premiums, based upon our analysis of the proposed mandate and our experience with similar health insurance benefits. The mandate requires health benefit plans that provide cancer-related health care services to also provide coverage for fertility preservation services to cancer patients under the age of forty-two (42). The required coverage includes evaluation expenses, laboratory assessments and treatments associated with oocyte and sperm cryopreservation procedures, including first year storage costs. Health benefit plans with prescription drug coverage shall also provide coverage for medications associated with oocyte and sperm cryopreservation procedures. Our analysis included use of data and statistics from the National Cancer Institute (NCI), a report from the Livestrong Foundation: "Iatrogenic Infertility Due to Cancer Treatments: A Case for Fertility Preservation Coverage," a report by the California Health Benefits Review Program (CHBRP) based on analysis of similar legislation in California "Analysis of Assembly Bill 912: Fertility Preservation," and a 2015 Insurer annual data report provided to us by the Kentucky Department of Insurance (KY DOI). Our estimated increase in premiums for health benefit plans, not including state employee plans, is approximately \$0.02 to \$0.04 per member per month (PMPM). This represents an increase of approximately 0.003% to 0.008% or approximately \$80,000 to \$195,000 for all fully insured policies in Kentucky, not including state employees, due to the increased costs for health plans.

Mandating health insurance coverage of SB 179 will increase the total cost of health care in the Commonwealth, including any potential cost savings that may be realized, based upon our analysis of the proposed mandate and our experience with similar health insurance benefits. Our analysis included use of data and statistics from the National Cancer Institute (NCI), a report from the Livestrong Foundation: "Iatrogenic Infertility Due to Cancer Treatments: A Case for Fertility Preservation Coverage," a report by the California Health Benefits Review Program (CHBRP) based on analysis of similar legislation in California "Analysis of Assembly Bill 912: Fertility Preservation," and a 2015 Insurer annual data report provided to us by the Kentucky Department of Insurance (KY DOI). Our estimated increase in the total cost of health care in the Commonwealth for health benefit plans, not including state employee plans, is approximately \$0.02 to \$0.04 PMPM. This represents an increase of approximately 0.003% to 0.008% or approximately \$80,000 to \$195,000 for all

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fully insured policies in Kentucky, not including state employees, due to the increased costs for health plans.



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LEWIS & ELLIS, INC.  
February 27, 2017

H. Brian Maynard

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H. Brian Maynard, Commissioner  
KY Department of Insurance  
March 1, 2017