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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
and Drafting

Legislative Budget
Office

H.B. 11
133rd General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 11's Bill Analysis](#)

Version: As Introduced

Primary Sponsors: Reps. G. Manning and Howse

Local Impact Statement Procedure Required: No

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Highlights

- The bill requires Medicaid, Medicaid managed care organizations, and state employee health plans to cover tobacco cessation services and medications. This provision could increase Medicaid and state employee health plan costs.
- The bill appropriates \$3.5 million in FY 2020 and \$2.5 million in FY 2021 in GRF funding for the required group-based prenatal health care grant program, which is to be administered by the Ohio Department of Health (ODH).
- The bill appropriates \$2.5 million in both FY 2020 and in FY 2021 in GRF funding for the prenatal dental hygiene services program, which is to be administered by the Ohio Department of Medicaid (ODM).
- ODH may experience an increase in costs to develop educational materials regarding lead-based paint, which are to be distributed through the Help Me Grow Program to eligible families. ODH may also experience an increase in costs to promulgate rules regarding certain provisions of the bill.

Detailed Analysis

Coverage of tobacco cessation services and medications

The bill requires the Medicaid Program and Medicaid managed care organizations to cover certain tobacco cessation medications and services. It also requires health care benefits provided to state employees to include coverage of those same medications and services. These medications and services include any tobacco medication approved by the federal Food and Drug Administration and any tobacco service recommended by the U.S. Preventative Services Task Force. The bill prohibits the following conditions from being imposed: counseling requirements; cost sharing requirements; limits on the duration of services, including annual or

lifetime limits; and prior authorization requirements, step therapy protocols, or any other utilization management requirements. However, prior authorization requirements and limits may be imposed under certain circumstances including: when treatment exceeds recommended durations and when services are associated with more than two attempts to quit using tobacco in a 12-month period.

ODH is required to adopt rules establishing standards and procedures for the approval of covered tobacco cessation medications and services, which must be updated as new medications or cessation services are approved or recommended.

Fiscal impact

The Medicaid Program currently covers tobacco cessation medications and services for its enrollees. However, some limits on the duration of services and prior authorization requirements may be in place depending on which Medicaid managed care organization is providing the coverage. Since the bill prohibits certain conditions from being imposed, Medicaid costs could increase.

According to a Department of Administrative Services (DAS) official, the state's health benefit plans currently cover coaching and counseling for tobacco cessation with no limitations. The plans also cover a variety of medications, if an individual is enrolled in counseling and/or coaching, with limitations as follows: nicotine gums, lozenges, and patches are limited to 12 weeks; bupropion XL is limited to one year; and Chantix is limited to 12 weeks, but prior authorization is required. However, officials at DAS have expressed the belief that the bill would increase costs to the state due to the requirements that the coverage must be covered without (1) cost sharing, (2) limits on the duration of services, or (3) prior authorization requirements. In addition, in FY 2020 state employees may enroll in a high deductible healthcare plan (HDHP) with a health savings account (HSA) or a standard plan. Under the HDHP, tobacco cessation services and medications would be covered at 80% after the deductible has been met, thus, the required full coverage under this bill would increase costs to the state health benefit plans. LBO does not have an estimate of the magnitude of the increase.

ODH may experience an increase in costs to adopt and update the required rules.

Group-based prenatal health care services

The bill requires ODH to establish a grant program to provide prenatal health care services to pregnant women on a group basis. Under the program, grants will be awarded to entities that meet eligibility requirements and can provide group-based prenatal care and services. ODH is required to give priority to entities that provide care to pregnant Medicaid recipients and operate in areas of the state with high preterm birth rates, including rural areas and Cuyahoga, Franklin, Hamilton, and Summit counties. Under the bill, ODH is permitted to adopt rules as necessary. The bill allows a participating entity to coordinate with licensed dental hygienists to educate pregnant women about the importance of dental care during pregnancy.

Fiscal impact

The bill appropriates GRF funding of \$3.5 million in FY 2020 and \$2.5 million in FY 2021 for the grant program. In FY 2020, \$500,000 of the allocated amount must be used to provide planning grants to help entities meet the bill's requirements. Those entities receiving planning

grants must be located in counties without any existing programs providing prenatal health care services on a group basis. ODH may also incur costs related to rule promulgation.

Prenatal dental cleanings

The bill requires ODM to establish a program to provide dental hygiene services to pregnant Medicaid recipients. ODM is required to give priority to those recipients residing in areas of the state with high preterm birth rates. In addition, under the program, a pregnant Medicaid recipient is eligible to receive two dental cleanings per year. ODM is also required to establish reimbursement rates for dental hygienists who educate Medicaid recipients about the importance of oral care as part of ODH's group-based prenatal health care services grant program. The bill provides that, in the case of a dental hygienist who develops and distributes educational materials as part of the grant program, ODM must reimburse the dental hygienist for all or part of those costs.

Fiscal impact

Some dental cleanings are already covered under the Medicaid Program. However, if the bill increases the amount of cleanings or the utilization, Medicaid costs could increase. There could also be costs associated with establishing reimbursement rates for dental hygienists providing educational services under the grant program administered by ODH. However, the bill appropriates \$2.5 million in both FY 2020 and in FY 2021 in GRF funding for the prenatal dental hygiene services program, which would help offset these costs.

Lead-based paint educational materials

The bill requires ODH to develop educational materials describing the health risks of lead-based paint and the measures that may be taken to reduce those risks. As part of ODH's Help Me Grow Program, copies of the materials are to be distributed during home visits to eligible families residing in houses, apartments, or other residences built before 1979.

Fiscal impact

ODH may experience an increase in costs to develop the required educational materials. Local public entities that are providers for the Help Me Grow Program may experience a minimal increase in costs to print and distribute the materials to families. However, these providers receive funding from ODH to provide services; thus, these costs may be covered.