

Department of Legislative Services
Maryland General Assembly
2002 Session

FISCAL NOTE

House Bill 1129
Economic Matters

(Delegate Rudolph, *et al.*)

Health Insurance - Coverage for Vaccinations Against Meningococcal Disease

This bill requires a health insurer, nonprofit health service plan, or HMO (carrier) to provide coverage for vaccinations against meningococcal disease for an enrollee who is an on-campus student resident enrolled in an institution of higher education.

The bill applies to all policies, contracts, and health benefit plans issued, delivered, or renewed in the State on or after October 1, 2002.

Fiscal Summary

State Effect: Minimal special fund revenue increase for the Maryland Insurance Administration (MIA) due to MIA's \$125 rate and form filing fee. Potential minimal general fund increase from the State's 2% premium tax. No effect on the State Employee Health Benefits Plan or Medicaid.

Local Effect: Local jurisdiction expenditures for employee health benefits could increase if carriers increase their premiums as a result of the bill's requirements.

Small Business Effect: Potential minimal. Small businesses (fewer than 50 employees) purchase the Comprehensive Standard Health Benefit Plan (CSHBP) which is exempt from including mandated benefits in its coverage. All carriers participating in the small business market must sell the CSHBP to any small business that applies for it, but a small business may purchase riders to expand the covered services. In addition, the Maryland Health Care Commission takes mandated benefits into consideration when reevaluating the CSHBP benefit package. Small business health insurance costs may increase if carriers increase their premiums as a result of this bill. Any increase is expected to be negligible.

Analysis

Current Law: An individual who is enrolled in an institution of higher education and who resides in on-campus student housing must be vaccinated against meningococcal disease. A student is exempt from the vaccination requirement if the institution of higher education provides detailed information on the risks associated with meningococcal disease and the availability and effectiveness of any vaccine to the student, if the student is 18 or older, or the student's parent or guardian. The student (or parent or guardian) must sign a written waiver stating that the student has received and reviewed the information and has chosen to not have the vaccination.

Background: Meningitis is an infection of the fluid of a person's spinal cord and the fluid that surrounds the brain. Meningitis is usually caused by a viral or bacterial infection. Knowing whether meningitis is caused by a virus or bacterium is important because the severity of illness and the treatment differ. Viral meningitis is generally less severe and resolves without specific treatment, while bacterial meningitis can be quite severe and may result in brain damage, hearing loss, learning disability, or death. For bacterial meningitis, it is also important to know which type of bacteria is causing the meningitis because antibiotics can prevent some types from spreading and infecting other people. Before the 1990s, Haemophilus influenzae type b (HIB) was the leading cause of bacterial meningitis, but new vaccines being given to all children as part of their routine immunizations have reduced the occurrence of invasive disease due to HIB. Today, Streptococcus pneumoniae and Neisseria meningitidis are the leading causes of bacterial meningitis.

Approximately 3,000 cases of meningococcal disease occur each year in the United States, and 10%-13% of patients die despite receiving antibiotics early in the illness. Of those who survive, an additional 10% have severe aftereffects of the disease, including mental retardation, hearing loss, and loss of limbs. Various recent studies indicate that freshmen college students, particularly those who live in dormitories, constitute a group at a modestly increased risk for meningococcal disease.

Many colleges in the State provide vaccination services for meningitis. Vaccinations cost approximately \$75, last three years, and may, in many cases, be charged to a student's account. All local health departments in the State offer the meningitis vaccine for \$70.

State Expenditures: The State Employee Health Benefits Plan currently provides coverage for the meningitis vaccine through the prescription drug program. Students receiving the vaccine must pay in advance and then apply for reimbursement from AdvancePCS, the State's prescription benefit manager. The bill's requirements would shift coverage from the prescription drug program to medical plans; however, this shift in coverage would have no fiscal impact on the State plan. Revenues would not be affected.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Centers for Disease Control, University of Maryland College Park, University of Maryland Baltimore County, Towson University, Salisbury University, Department of Health and Mental Hygiene, Maryland Insurance Administration, Department of Budget and Management (Employee Benefits Division), Department of Legislative Services

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