

Department of Legislative Services
Maryland General Assembly
2009 Session

FISCAL AND POLICY NOTE

House Bill 385 (Delegate Kaiser, *et al.*)
Health and Government Operations

Insurance - In Vitro Fertilization Benefit - Definition of Successful Pregnancy

This bill defines “successful pregnancy” as a pregnancy that results in a live birth for purposes of determining health insurance benefits for in vitro fertilization (IVF).

Fiscal Summary

State Effect: Minimal special fund revenue increase for the Maryland Insurance Administration (MIA) from the \$125 rate and form filing fee in FY 2010. The review of rate filings can be handled within existing MIA resources. No impact on the State Employee and Retiree Health and Welfare Benefits Program (State plan) as the bill’s definition is already utilized with respect to IVF services.

Local Effect: Any impact on local government expenditures is assumed to be minimal.

Small Business Effect: None. The bill does not apply to the small group health insurance market.

Analysis

Current Law: Carriers that provide pregnancy-related services may not exclude benefits for all outpatient expenses arising from IVF procedures performed on the policyholder or subscriber or their dependent spouse. Benefits must be provided to the same extent as other pregnancy-related procedures for insurers and nonprofit health service plans and other infertility services for health maintenance organizations.

To qualify for IVF benefits (1) the patient must be the policyholder or subscriber or their dependent spouse; (2) the patient’s eggs must be fertilized with their spouse’s sperm;

(3) the patient and the patient's spouse must have a history of infertility of at least two years duration or infertility associated with endometriosis, diethylstilbestrol exposure, blockage or removal of one or more fallopian tubes, or abnormal male factors; (4) the patient must have been unable to attain a *successful pregnancy* through a less costly infertility treatment available under the policy or contract; and (5) the IVF procedures must be performed at specified medical facilities. IVF benefits may be limited to three IVF attempts per live birth, not to exceed a maximum lifetime benefit of \$100,000.

Background: According to the American Society for Reproductive Medicine, infertility is defined as an inability to conceive within 12 months. About 6.1 million couples nationally (10% of couples of childbearing age) experience infertility.

In IVF, eggs are surgically removed from the ovary and mixed with sperm outside the body. After about 40 hours, the eggs are examined to see if they have become fertilized by the sperm and are dividing into cells. These fertilized eggs (embryos) are placed in a woman's uterus, bypassing the fallopian tubes. While IVF accounts for less than 5% of all infertility treatment in the United States, it is often the most successful method of achieving pregnancy for infertility related to blocked or absent fallopian tubes or low sperm counts.

In Maryland, there were 4,078 IVF cycles reported by the federal Centers for Disease Control and Prevention in 2005. This equates to an incidence of approximately 6 per 1,000 women of childbearing age or 1 per 1,000 for all individuals covered by insurance.

Every four years, the Maryland Health Care Commission (MHCC) examines the fiscal impact of mandated health insurance benefits. In 2008, MHCC found that these benefits account for 15.4% of total premium costs for group health insurance and 18.6% of total premium costs for individual policies. IVF treatment accounts for 0.8% of total premium costs for group health insurance and 1% of total premium costs for individual policies.

Additional Information

Prior Introductions: HB 701 of 2008 would have required carriers, in determining a patient's eligibility for IVF, to calculate the duration of the patient's history of infertility without regard to any pregnancy that terminates in a miscarriage. HB 701 received an unfavorable report from the House Health and Government Operations Committee.

Cross File: None.

Information Source(s): *Annual Mandated Health Insurance Services Evaluation*, Maryland Health Care Commission, December 31, 2008; *Study of Mandated Health*

Insurance Services: A Comparative Evaluation, Maryland Health Care Commission, January 1, 2008; American Society for Reproductive Medicine; CareFirst Blue Cross/Blue Shield; Department of Budget and Management; Department of Health and Mental Hygiene; Maryland Insurance Administration; Department of Legislative Services

Fiscal Note History: First Reader - February 17, 2009
ncs/mwc

Analysis by: Jennifer B. Chasse

Direct Inquiries to:
(410) 946-5510
(301) 970-5510