HB 251-FN – AS INTRODUCED

2015 SESSION

15-0259 05/01

HOUSE BILL 251-FN

AN ACT excluding circumcision from the state Medicaid plan.

SPONSORS: Rep. Murphy, Hills 7

COMMITTEE: Commerce and Consumer Affairs

ANALYSIS

This bill provides that circumcision shall not be covered under the state Medicaid plan.

.....

Explanation: Matter added to current law appears in **bold italics**.

Matter removed from current law appears [in brackets and struckthrough.]

Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

HB 251-FN - AS INTRODUCED

15-0259 05/01

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Fifteen

AN ACT excluding circumcision from the state Medicaid plan.

Be it Enacted by the Senate and House of Representatives in General Court convened:

- 1 New Section; Circumcision Excluded from Coverage Under State Medicaid Plan. Amend
 2 RSA 167 by inserting after section 3-j the following new section:
 3 167:3-k State Medicaid Plan; Circumcision Excluded. Medical assistance provided under the
 4 state Medicaid plan shall not include the circumcision of newborn males unless the procedure is
 5 medically necessary.
- 6 2 Effective Date. This act shall take effect January 1, 2016.

HB 251-FN - FISCAL NOTE

AN ACT

excluding circumcision from the state Medicaid plan.

FISCAL IMPACT:

The Department of Health and Human Services states this bill, <u>as introduced</u>, will reduce state restricted expenditures by an indeterminable amount in FY 2016 and each year thereafter. There will be no fiscal impact on state, county, and local revenue, or county and local expenditures.

METHODOLOGY:

The Department states this bill would exclude circumcision of newborn males as a covered service under the state Medicaid plan unless it is medically necessary. Although not defined, the Department assumes the term newborn means a male less than one year old. Since prior authorization is not required for circumcisions, the Department does not have information determine how many procedures would be determined medically necessary. The Department reviewed Medicaid claims from FY 2012 through FY 2015 year-to-date and estimated an annual average cost of \$212,702 for these procedures assuming no changes in payments, utilization, or rates. Of this annual cost, one-half would be paid with state funds and half would be paid with federal Medicaid dollars.

There are some factors which prevented a more precise calculation:

- The state Medicaid program was operated on a fee for service basis in FY 2012 and FY 2013. As of December 1, 2013, the Medicaid program transitioned to care management which runs based on a capitated risk based payments.
- Meridian, one of the Medicaid managed care organizations left the New Hampshire market in July 2014 and, due to time constraints, the analysis does not consider the Meridian claims data.
- The expenditure data for Well Sense Health Plan represents professional claims only
 and does not include procedures billed as part of an inpatient DRG claim or bundled
 with labor and delivery charges billed under the mother's Medicaid ID.