

HB 534, TELEMEDICINE AMENDMENTS, (Ballard, M G)

Anticipated Fiscal Impact on State:

\$35,357 per year (\$0.05 PMPM)

HB 534 requires that in-network providers offering telemedicine services be paid at a rate at least 90% of the existing contract rate if the provider has an in-person location in Utah. This is consistent with PEHP's current reimbursement practices other than for standard urgent-care related telemedicine services that PEHP pays \$69 to a vendor for.

Because this vendor is also located in the state and uses contracted providers for in-person services, HB 534 will increase payments to these providers from the currently contracted rate to 90% of the fee schedule. Based on current costs and utilization, the cost to the state health insurance plan is \$35,357.

ANTICIPATED FISCAL IMPACT ON **EDUCATION** AND LOCAL GOVERNMENT ENTITIES - \$0.05 PMPM

Pursuant to Utah Code Ann. 31A-22-605.5(2)(b) and (3) – a health insurance mandate shall apply to health coverage offered in the state risk pool, public school districts, charter schools and institutions of higher education.

The same per member per month (PMPM) fiscal impact would be applicable to each of these entities covered by PEHP. PEHP does not cover every public school district, charter school or institution of higher education in the state. Some public entity employees are insured through private insurance carriers. The fiscal effect on the PEHP covered public entities would be:

- State risk pool, excluding state and including higher education (Weber St, USU Eastern, Snow, Utah Tech, and technical colleges) - \$.05 PMPM x 12,520 members = \$7,512 per year
- Public School districts and charter schools - \$.05 PMPM x 43,954 members = \$26,372 per year
- Local Governments – \$.05 PMPM x 42,155 members = \$25,293 per year