

PURPOSE OF BILL: HB 1142

To create the Reproductive Empowerment and Support Through Optimal Restoration (RESTORE) Act.

ACTUARIAL STATEMENT

The Fiscal Impact Statement was prepared according to generally accepted actuarial principles and practices, in compliance with ACT 112. The Statement provides an estimate of the financial and actuarial effect of the proposed change(s) on the Plans, if possible. The Statement makes no comment or opinion with regard to the merits of the measure for which the Statement is prepared; however, any identified technical or mechanical defects have been noted.

We have reviewed the input and results of our analysis for reasonableness and relied upon the data and information provided by the Plans and their Claims Processing Contractors.

A handwritten signature in black ink, appearing to read "Patrick Klein".

3/14/2025

Patrick Klein, FSA, MAAA
Vice President, Segal

Date

A handwritten signature in black ink, appearing to read "Matthew Kersting".

3/14/2025

Matthew Kersting, FSA, MAAA
Vice President, Segal

Date

PROJECTED COSTS

Plan	Plan Design Change	Estimated Cost/(Savings)
EBD	Covering services associated with restorative reproductive medicine (RRM)	\$50,000 - \$300,000

PRICING APPROACH AND COMMENTS

House Bill 1142 creates the Reproductive Empowerment and Support Through Optimal Restoration (RESTORE) Act. The bill requires health plans to cover procedures associated with natural procreative technology and restorative reproductive medicine (RRM) including examinations, ultrasounds, blood tests, hormone panel tests, surgeries to reconstruct the uterus, fallopian tubes, ovaries, and other organ structures, to eliminate endometriosis and other reproductive health conditions.

It is not clear whether HB1142 would apply to EBD as it is an amendment to the existing Arkansas Code § 23-85-137 that requires IVF coverage, but this requirement does not apply to self-insured plans. However, we are projecting the financial impact as if the bill would apply to EBD.

The costs of RRM can vary based on the specific treatments and services required, below are some examples:

Treatment	Price Low	Price High
Initial Consultation & Diagnostic	\$200	\$500
Hormonal Therapies	\$50	\$200
Surgical Procedures	\$3,000	\$10,000
Fertility Charting	\$100	\$300
Lifestyle Coaching	\$50	\$200

After accounting for service mix, member cost sharing, and other research, the annual cost for RRM to the plan is expected to fall between \$800 and \$1,600 per utilizer.

Since RRM is relatively new to the insurance market, utilization data is limited. Research suggested utilization was expected to be less than IVF. Thus, we leveraged our IVF projected utilization rate (0.5% of women childbearing age) as the basis for the RRM projection. We

projected a range of 60 - 180 potential utilizers of RRM services on EBD's plans annually. This could increase over time as this therapy becomes more available.

Overall cost to EBD is projected to fall within the range of \$50,000 to \$300,000. If IVF were covered, as required by Arkansas Code § 23-85-137, some of the costs would be offset by reduction in IVF utilization.