

PURPOSE OF BILL: HB 1290

To mandate coverage for mental health wellness examinations; and to establish the Arkansas Support of Mental Health Wellness Examinations 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".

3/12/2025

Patrick Klein, FSA, MAAA
Vice President, Segal

Date

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

3/12/2025

Matthew Kersting, FSA, MAAA
Vice President, Segal

Date

PROJECTED COSTS

Plan	Plan Design Change	Annual Cost Estimate
EBD	Covering annual standalone mental health wellness examination	\$500,000 - \$900,000

PRICING APPROACH AND COMMENTS

House Bill 1290 requires coverage for an annual standalone mental health wellness examination that is performed by a licensed mental health professional. The bill requires coverage for the examination to be no less extensive than the coverage provided for preventive services or primary care benefits under a health benefit plan.

A few other states have recently adopted similar laws. Currently EBD covers mental health visits. The mental health wellness examinations outlined in this bill is a separate service. We used Segal's book of business data to determine the costs and utilization of this exam. The cost of standalone mental health wellness examination is projected to be around \$180 in CY 2026. Utilization is expected to fluctuate between 20 and 40 exams per 1,000 members for the first few years.

Total cost to EBD projects to be between \$500,000 and \$900,000, or 0.1% - 0.2% of medical claims.