## LEGISLATIVE SERVICES AGENCY

## OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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## FISCAL IMPACT STATEMENT

LS 7169 NOTE PREPARED: Dec 31, 2020

**BILL NUMBER: HB 1347 BILL AMENDED:** 

**SUBJECT:** Telemedicine.

FIRST AUTHOR: Rep. Lindauer **BILL STATUS:** As Introduced

FIRST SPONSOR:

**IMPACT:** State & Local FUNDS AFFECTED: X GENERAL

> **X DEDICATED** X FEDERAL

Summary of Legislation: Home Health Agencies: The bill expands the list of medical professionals from which home health agencies may accept written orders.

Telemedicine: The bill also changes the requirements for the issuance of a prescription via telemedicine.

Advance Practice Registered Nurse (APRN): It provides that advanced practice registered nurses may operate in multiple locations in collaboration with a physician.

Pharmacy Technicians: The bill increases the number of pharmacy technicians that a single licensed pharmacist may supervise. It also provides that pharmacy technicians may perform certain work remotely without the direct supervision of a licensed pharmacist.

Effective Date: July 1, 2021.

**Explanation of State Expenditures:** To the extent that more practitioners may order services, practice at more locations, or fill more prescriptions in certain circumstances, reimbursement of these services may increase for the state health plans. Additionally, the Professional Licensing Agency (PLA) may experience an increase in workload to notify license holders of the changes made by the bill. These actions are within PLA's routine administrative functions and should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels. The bill is not expected to direct impact expenditures within the state Medicaid program or Children's Health Insurance Program (CHIP).

HB 1347 1 <u>Additional Information</u> -State Employee Health Plans: Costs for the state health plans are shared between the state and state employees covered by the plan as determined in the plans' designs, including premiums, coinsurance, copayments, and deductibles. An increase in premiums cost may be mitigated with adjustments to other benefits or to employee compensation packages, or through the division of premium costs between the state and state employees.

Medicaid and CHIP: Medicaid and CHIP services are governed by the Medicaid state plan and federally granted waivers. Changes in state practice would have to be incorporated into the plans or waivers through the amendment process. However, price and availability of services for Medicaid and CHIP may be effected by the changes in the bill.

**Explanation of State Revenues:** Increases in private insurance payments of health care and prescription services may create upward pressure on premiums collected in the state, leading to increased premiums. State General Fund revenue from either insurance premium tax or Adjusted Gross Income (AGI) tax collections may result. However, any impact to revenue as a result of this bill would likely be small.

**Explanation of Local Expenditures:** Locally owned health care facilities may have increased workload as the result of the bill's changes, which may be offset with increased revenue.

The bill potentially impacts local units of government that offer health insurance coverage for employees. Added local health coverage costs may be mitigated with adjustments to other benefits or to the total employee compensation packages, or through the division of costs between the local unit and employees.

**Explanation of Local Revenues:** If the bill results in more services being provided, locally owned health services agencies, such as community mental health centers or county hospitals, may have increased revenue from reimbursements.

State Agencies Affected: State Personnel Department; Professional Licensing Agency.

<u>Local Agencies Affected:</u> Locally owned health care facilities; local government units offering employee health plans.

<u>Information Sources:</u> IC 25-1-9-9; Legislative Services Agency, *Indiana Handbook of Taxes, Revenues, and Appropriations*, FY 2020.

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