Government of the District of Columbia Office of the Chief Financial Officer



Jeffrey S. DeWitt Chief Financial Officer

MEMORANDUM

TO: The Honorable Phil Mendelson

Chairman, Council of the District of Columbia

FROM: Jeffrey S. DeWitt

Chief Financial Officer Street School

DATE: November 2, 2017

SUBJECT: Fiscal Impact Statement - Defending Access to Women's Health Care

Services Amendment Act of 2017

REFERENCE: Bill 22-106, Committee Print as shared with the Office of Revenue

Analysis on October 24, 2017

Conclusion

Funds are not sufficient in the fiscal year 2018 through fiscal year 2021 budget and financial plan to implement the bill. The bill will cost approximately \$107,000 in fiscal year 2018 and \$477,000 over the four-year budget and financial plan. The Committee Print is subject to appropriation.

Background

The bill allows¹ licensed pharmacists to dispense a 12-month supply of self-administered hormonal contraceptives² to patients without a prescription. Pharmacists must be certified to dispense contraceptives by the Board of Pharmacy and Board of Medicine.³ To become certified, pharmacists must be trained through formal education or through a training program on self-administered hormonal contraceptives.

The bill requires patients to use a self-screening tool developed by the Board of Pharmacy and Board of Medicine before they can receive hormonal contraceptives from a pharmacist without a prescription. Patients that are eligible for hormonal contraceptives must receive counseling from a pharmacist on the dispensed contraceptive's dosage, effectiveness, potential side effects, and safety.

¹ By amending The District of Columbia Health Occupations Revision Act of 1985, effective March 25, 1986 (D.C. Law 6-99; D.C. Official Code § 3-1201.01 et seq.).

² Self-administered hormonal contraceptive are contraceptives approved by the U.S. Food and Drug Administration that are administered orally, transdermally, or vaginally.

³ Both the Board of Pharmacy and Board of Medicine are overseen by the Office of Health Professional License Administration within the Department of Health.

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FIS: Bill 22-106, "Defending Access to Women's Health Care Services Amendment Act of 2017," Committee Print as shared with the Office of Revenue Analysis on October 24, 2017.

Patients must also be notified that hormonal contraceptives do not protect against sexually transmitted infections. Pharmacists must refer patients to their primary care provider or to a nearby clinic if contraceptives are not recommended for the patient based on the self-screening tool. The bill limits the amount that pharmacists can charge patients for consultation on hormonal contraceptives to \$25.

The bill requires the Board of Pharmacy to maintain a list of all pharmacists certified to dispense contraception without a prescription, including the location of the pharmacy where the pharmacist currently practices, and make that list readily accessible to the public. Pharmacies must display in stores and online a list of the times during which a pharmacist certified to dispense contraceptives without a prescription is available. The Board of Pharmacy must notify all licensed pharmacists about the requirements for dispensing self-administered hormonal contraceptives and must post opportunities for training. The Board of Pharmacy and the Board of Medicine, in consultation with the American Congress of Obstetricians and Gynecologists, must develop and issue regulations to implement the bill by January 1, 2019.

Current law requires individual health plans, group health plans, and Medicaid to cover the cost of up to a 12-month supply of a covered prescription contraceptive at one time. The bill adds⁴ the D.C. Healthcare Alliance Program to the list of providers that must cover a 12-month supply of contraceptives. The bill also requires individual health plans, group health plans, Medicaid, and the D.C. Healthcare Alliance Program to cover contraceptives dispensed by a pharmacist without a prescription.

The bill requires individual health plans, group health plans, Medicaid, and the D.C. Healthcare Alliance to cover and not impose cost-sharing requirements on:

- Preventative health services for women contraceptives that are covered by the Patient Protection and Affordable Care Act⁵ and the act's implementing regulations, guidelines, recommendations, and evidence-based items or services with an effective rating of "A" or "B" in the recommendations issued by of the United States Preventive Services Task Force;⁶
- Voluntary sterilization procedures for women and men;⁷
- Unique contraceptive products approved by the Food and Drug Administration;
- Contraceptive services including consultation with a pharmacist, patient education, and counseling on contraception; and,
- Follow-up services related to the drugs, devices, products, and procedures covered by the bill.

The bill requires insurers to make readily available in print and on the insurer's website full and accurate information relevant to coverage and cost sharing for contraceptive services. The insurer must also inform enrollees of their right to receive a 12-month supply of contraception from a licensed pharmacist without a prescription or cost-sharing requirements.

⁴ By amending The Women's Health and Cancer Rights Federal Law Conformity Act of 2000, effective April 3, 2001 (D.C. Law 13-254; D.C. Official Code § 31-3831 et seq.).

⁵ Section 1001 of the Patient Protection and Affordable Care Act, approved March 23, 2010 (124 Stat. 131; 42 U.S.C. § 300gg-13).

⁶ USPSTF A and B Recommendations, U.S. Preventive Services Task Force, September 2017. https://www.uspreventiveservicestaskforce.org/Page/Name/uspstf-a-and-b-recommendations/.

⁷ A high-deductible health plans, as defined by 26 U.S.C. § 223(c)(2), may apply a deductible to coverage for voluntary sterilization procedures for men.

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The bill requires the Department of Insurance, Securities, and Banking (DISB) to provide yearly notice to health insurers operating in the District of their obligation to provide coverage for services, drugs, devices, products, and procedures.

Financial Plan Impact

Funds are not sufficient in the fiscal year 2018 through fiscal year 2021 budget and financial plan to implement the bill. The bill will cost approximately \$107,000 in fiscal year 2018 and \$477,000 over the four-year budget and financial plan. The Committee Print is subject to appropriation.

The Board of Pharmacy will need an additional employee to manage implementation of the bill and to enforce rules and regulations with regards to contraceptive dispensing without a prescription. This employee will also work on developing a patient self-screening tool for pharmacists to use when evaluating patients for self-administered hormonal contraceptives. The new employee will cost \$87,000 in fiscal year 2018 and \$457,000 over the four-year financial plan.

The Department of Health (DOH) must upgrade its online Health Professional Database⁸ so that the Board of Pharmacy can publish an up-to-date list of pharmacists that are certified to dispense hormonal contraceptives without a prescription. The list must also include the place of employment for each pharmacist. DOH estimates that upgrading this database to include this information will cost \$20,000 in fiscal year 2018.

The bill does not impose additional costs on the Medicaid and D.C. Healthcare Alliance programs. Contraception coverage is already covered by both Medicaid and the Alliance, without cost sharing.

DISB already provides notices to insurance companies on new regulations and policies in the District. DISB can notify insurance providers of the bill's obligation to provide coverage for services, drugs, devices, products and procedures without any additional costs to the agency.

Bill 22-106 - Defending Access to Women's Health Care Services Amendment Act of 2017 Total Fiscal Impact					
	FY 2018(b)	FY 2019	FY 2020	FY 2021	Total
Salary and Fringe(a)	\$87,218	\$119,779	\$123,372	\$127,074	\$457,443
Health Professional Database Upgrade	\$20,000	\$0	\$0	\$0	\$20,000
Total	\$107,218	\$119,779	\$123,372	\$127,074	\$477,443

Table Notes

(a) Includes one Grade-14, Step-1 FTE and assumes a fringe rate of 21.4 percent.

(b) Assumes employee start date of January 2, 2018.

⁸ Available at https://app.hpla.doh.dc.gov/Physician%20Profile%20Lookup/Search.aspx.