

The impact of limits on infertility coverage: Findings from CHBRP's analysis of California Assembly Bill 767 Infertility

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RESEARCH OBJECTIVE

The California Health Benefits Review Program (CHBRP) provides independent and objective analysis of health insurance-related legislation for the California Legislature.

In 2019, CHBRP was requested to analyze Assembly Bill (AB) 767, which initially required insurance coverage of infertility treatments and services and was amended to place limits on the number and dollar amount of covered infertility treatments. AB 767 includes coverage for IVF.

This analysis examines the impact limits on the number and dollar amount of covered infertility treatments have on the cost of covering these services and utilization.

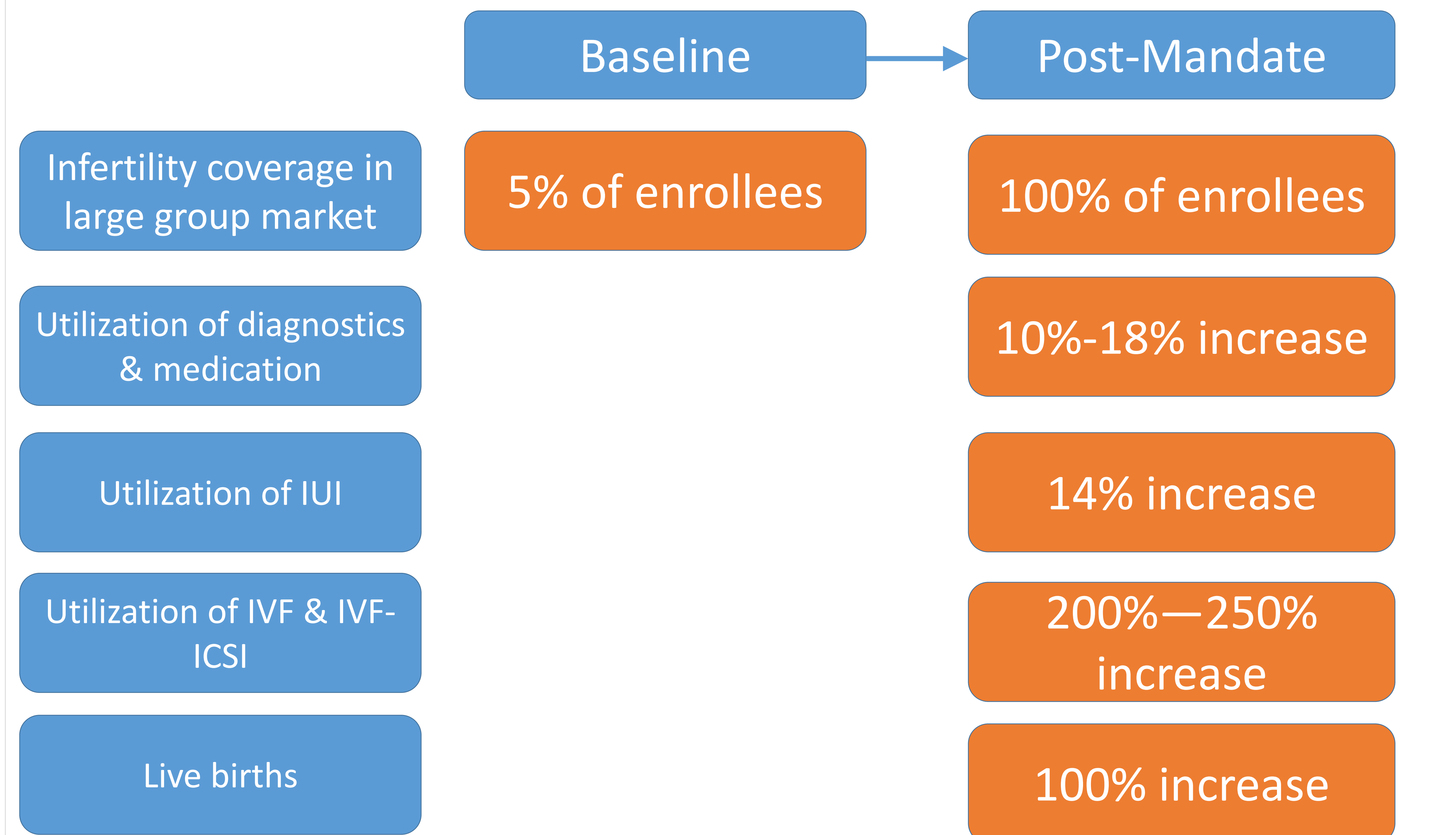
POPULATION STUDIED

Populations studied were enrollees with health insurance coverage in California in the large group market (approximately 11.4 million enrollees in 2020)

STUDY DESIGN

- CHBRP used claims data from 2016 Marketscan and the 2016 Consolidated Health Cost Guidelines Sources Database (CHSD) for California
- Baseline levels of coverage, cost-sharing, number of cycles covered, and other limits to treatment were obtained through a survey of the largest carriers in CA, representing 68% of enrollees
- To estimate the degree to which utilization of infertility services might shift postmandate (i.e. if the legislation were enacted), CHBRP used utilization data from 2016 Marketscan for infertility services in New Jersey, a state with an existing infertility mandate.

PRINCIPAL FINDINGS



- At baseline, 5% of enrollees in the large group market were estimated to have coverage for infertility that includes IVF. Post-mandate, this coverage would go up to 100%. CHBRP estimated that the increase in coverage results in higher: Use of diagnostics and medication (10-18%), IUI (14%), IVF and IVF-ICSI (200-250%, and subsequent live births (100% or 4,000 additional live births in CA).
- When the \$75,000 lifetime limit and limit of 3 IVF cycles were applied to the analysis, CHBRP found that the post-mandate impacts did not change substantively compared to no limit to number of cycles
- CHBRP compared the weighted average of total cost of claims with and without a fiscal limit applied, and determined that almost all enrollees did not exceed the cost limits
- CHBRP found the majority of IVF and IVF-ICSI users (>95%) used 3 or fewer cycles

Implementing AB 767 Infertility would increase total net annual expenditures in California by \$462,053,000 or 0.29%.

IMPLICATIONS FOR POLICY AND PRACTICE

Insurance coverage of infertility services may enable additional enrollees to use infertility services. However, barriers such as substantial out of pocket costs may persist for enrollees, depending on the benefit coverage design.

While states may be concerned with the substantial impacts to health care expenditures and increases in health insurance premiums, limiting coverage of infertility services by placing dollar limits on the total amount of services or limiting the number of IVF cycles may not substantially reduce these cost increases.

AB 767 did not pass in 2019 and a similar bill (AB 2781) was proposed in 2020, for which CHBRP estimated similar impacts.

CONCLUSION

Requiring health insurance coverage of infertility services would increase utilization of infertility services among impacted enrollees and would result in a corresponding increase in expenditures. Applying a lifetime dollar limit and cycle limit to the infertility services would result in a small but negligible decrease in utilization and total expenditures.

Contact information

Information on CHBRP may be found at: www.chbrp.org

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