



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2027 Biennium

Bill#/Title: **SB0244.01 (001): Revise laws related to health insurance coverage of behavioral health screening**

Primary Sponsor: Mike Yakawich Status: As Amended in Senate Committee

☐ Included in the Executive Budget ☐ Needs to be included in HB 2 ☐ Significant Local Gov Impact
☐ Significant Long-Term Impacts ☐ Technical Concerns ☐ Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>	<u>FY 2028</u> <u>Difference</u>	<u>FY 2029</u> <u>Difference</u>
Expenditures				
Other	\$0	\$0	\$0	\$0
Proprietary	\$294,429	\$303,261	\$312,360	\$321,731
Revenues				
Other	\$0	\$0	\$0	\$0
Net Impact	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
General Fund Balance				

Description of fiscal impact

SB 244 seeks to provide behavioral health screening assessments at a no out-of-pocket cost to the insured subscriber/members of Montana health plans. The requirements of the bill will have a fiscal impact on the State Employee Health Plan and the Montana University System Health Plan.

FISCAL ANALYSIS

Assumptions

State Auditor's Office

1. SB 244 requires health insurance coverage for behavioral health screening with no cost sharing to the insured or subscriber. The Montana essential health benefits (EHB) benchmark plan already provides for this coverage; therefore, it does not require defrayal by the State Auditor's Office. There is no fiscal impact to the State Auditor's Office.

Commissioner of Higher Education

2. The Montana University System (MUS) had an average of 1,260 members utilizing behavioral health screenings in calendar years 2023 and 2024.
3. The average medical plan cost of behavioral health screenings is \$74,595 and the average member cost of behavioral health screenings is \$75,555.
4. An adjustment of 1.007 for claims incurred but not reported was applied.
5. The calendar year 2026 estimated claims trend at the midpoint is 1.151.
6. The estimated CY 2026 medical plan cost of behavioral health screenings is \$86,460

- ($\$74,595 \times 1.007 \times 1.151$). The estimated CY 2026 member cost of behavioral health screenings is \$87,573 ($\$75,555 \times 1.007 \times 1.151$).
7. The expected utilization is 25%.
 8. The estimated medical plan cost of behavioral health screenings under this bill is \$217,541 ($(\$86,460 + \$87,573) \times (1 + 0.25)$).
 9. The net cost to the Montana University System is \$131,081 ($\$217,541 - \$86,460$).
 10. A 3% inflation factor has been applied to remaining fiscal years.

Department of Administration

11. The average annual members utilizing neuropsychology technology is 1,518.
12. The average annual State Benefit Plan cost is \$77,088 while the average annual member cost is \$95,119.
13. The adjustment for claims incurred by not reported (IBNR) is 1.007 based on a 1.5 month claim lag.
14. The estimated claims trend is 1.174 as based on the low trend medical scenario of 6.0% from September 2023 to June 2026.
15. The estimated CY 2026 medical plan cost of behavioral health screenings is \$91,135 ($\$77,088 \times 1.007 \times 1.174$). The estimated CY 2026 member cost of behavioral health screenings is \$112,451 ($\$95,119 \times 1.007 \times 1.174$).
16. The expected utilization increase from the reduced cost to members is 25%.
17. The estimated medical plan cost of behavioral health screenings under this bill is \$254,483 ($(\$91,135 + \$112,451) \times (1 + 0.25)$).
18. The estimated cost to the State Plan is \$163,348 ($\$254,483 - \$91,135$).
19. The estimated increase of costs from FY 2026 to FY 2029 is 3.0% annually.

Fiscal Analysis Table

	<u>FY 2026 Difference</u>	<u>FY 2027 Difference</u>	<u>FY 2028 Difference</u>	<u>FY 2029 Difference</u>
<u>Fiscal Impact</u>				
<u>Expenditures</u>				
Benefits	\$0	\$0	\$0	\$0
Commissioner of Higher Education	\$131,081	\$135,013	\$139,064	\$143,236
Department of Administration	\$163,348	\$168,248	\$173,296	\$178,495
TOTAL Expenditures	\$294,429	\$303,261	\$312,360	\$321,731
<u>Funding of Expenditures</u>				
Other	\$0	\$0	\$0	\$0
Proprietary	\$294,429	\$303,261	\$312,360	\$321,731
TOTAL Funding of Expenditures	\$294,429	\$303,261	\$312,360	\$321,731
<u>Revenues</u>				
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u>				
Other	\$0	\$0	\$0	\$0
Proprietary	(\$294,429)	(\$303,261)	(\$312,360)	(\$321,731)

Mike Yakub
Sponsor's Initials

2-25-25
Date

RD
Budget Director's Initials

2/21/2025
Date