

SB 132-FN - AS AMENDED BY THE SENATE

03/06/2025 0533s

2025 SESSION

25-1068

05/09

SENATE BILL

132-FN

AN ACT

relative to health insurance coverage for prosthetics.

SPONSORS:

Sen. Gannon, Dist 23; Sen. Fenton, Dist 10; Sen. Watters, Dist 4; Sen. Ward, Dist 8; Sen. Rosenwald, Dist 13; Sen. Long, Dist 20; Sen. McGough, Dist 11; Sen. Pearl, Dist 17; Sen. Perkins Kwoka, Dist 21; Sen. Prentiss, Dist 5; Sen. Altschiller, Dist 24; Rep. Rice, Hills. 38; Rep. Simpson, Rock. 33; Rep. Weyler, Rock. 14

COMMITTEE:

Health and Human Services

ANALYSIS

This bill requires health insurance policies to provide coverage for adult prosthetics, including activity-specific prosthetic devices. Current law requires such coverage for children's prosthetics.

Explanation:

Matter added to current law appears in ***bold italics***.

Matter removed from current law appears ~~[in brackets and struckthrough.]~~

Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Five

AN ACT relative to health insurance coverage for prosthetics.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 Accident and Health Insurance; Coverage for Prosthetic Devices. Amend RSA 415:18-ff to
2 read as follows:

3 415:18-ff Coverage for Prosthetic Devices [~~for Children~~].

4 ***I.*** Each insurer that issues or renews a policy of group or blanket accident or health
5 insurance providing benefits for medical or hospital expenses shall provide coverage for prosthetic
6 devices, including activity-specific prosthetic devices, for children under 19 years of age, who are
7 residents of this state and covered by such insurance. The insurer may limit coverage for activity-
8 specific prosthetic devices to one activity-specific prosthetic device per plan year. Medically
9 necessary prosthetic devices shall not be subject to any annual limits. Coverage under this section
10 shall be subject to such other terms and conditions of the policy that may apply.

11 ***II.*** *Each insurer that issues or renews a policy of group or blanket accident or*
12 *health insurance providing benefits for medical or hospital expenses shall provide*
13 *coverage for prosthetic devices, including activity-specific prosthetic devices, for*
14 *individuals over 19 years of age, who are residents of this state and covered by such*
15 *insurance. The insurer may limit coverage for activity-specific prosthetic devices to one*
16 *activity-specific prosthetic device every 5 years. Medically necessary prosthetic devices*
17 *shall not be subject to any annual limits. Coverage under this section shall be subject to*
18 *such other terms and conditions of the policy that may apply.*

19 [~~I.~~] ***III.*** Covered benefits shall include:

- 20 (a) All materials and components necessary to use the device;
21 (b) Instruction to the enrollee on using the device; and
22 (c) The repair or replacement of a prosthetic device that is determined medically
23 necessary or is necessary for maximizing the enrollee's ability to engage in the specific activity.

24 [~~II.~~] ***IV.*** In this section:

25 (a) "Prosthetic" means an artificial substitute for a body part for functional or
26 therapeutic purposes.

27 (b) "Activity-specific prosthetic device" means a prosthetic device designed to allow an
28 individual to participate in a specific activity that could damage the residual limb or everyday
29 prosthesis, or when the everyday prosthesis would not function effectively to perform that specified
30 activity.

1 ~~[H.]~~ V. This section shall not apply to plans available through the Small Business Health
2 Options Program (SHOP).

3 2 Coverage for Certain Prosthetic Devices. Amend RSA 415:18-n, I to read as follows:

4 I. Each insurer that issues or renews any policy of group accident or health insurance
5 providing benefits for medical or hospital expenses, except for supplemental policies covering a
6 specified disease or other limited benefit, shall provide to each group, or to the portion of each group
7 comprised of certificate holders of such insurance who are residents of this state and whose principal
8 place of employment is in this state, coverage for benefits for prosthetic devices under the same
9 terms and conditions that apply to other durable medical equipment covered under the policy, except
10 as otherwise provided in this section ***and except as otherwise provided in RSA 415:18-ff.***

11 3 Effective Date. This act shall take effect January 1, 2026.

SB 132-FN- FISCAL NOTE
AS AMENDED BY THE SENATE (AMENDMENT #2025-0533s)

AN ACT relative to health insurance coverage for prosthetics.

FISCAL IMPACT:

Estimated State Impact				
	FY 2025	FY 2026	FY 2027	FY 2028
Revenue	\$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
<i>Revenue Fund(s)</i>	General Fund - Insurance Premium Tax			
Expenditures*	\$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
<i>Funding Source(s)</i>	General Fund, Highway Fund, and Various Agency Funds and NH Insurance Department Operational Fund			
Appropriations*	\$0	\$0	\$0	\$0
<i>Funding Source(s)</i>	None			

*Expenditure = Cost of bill

*Appropriation = Authorized funding to cover cost of bill

Estimated Political Subdivision Impact				
	FY 2025	FY 2026	FY 2027	FY 2028
County Revenue	\$0	\$0	\$0	\$0
County Expenditures	\$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
Local Revenue	\$0	\$0	\$0	\$0
Local Expenditures	\$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase

METHODOLOGY:

This bill requires health insurance policies to provide coverage for adult prosthetics, including activity-specific prosthetic devices. Current law requires such coverage for children's prosthetics.

The Insurance Department states this bill amends RSA 415:18-ff to mandate coverage for prosthetic devices, including activity-specific devices, for all individuals regardless of age. If enacted, the Department anticipates an increase in claims costs related to prosthetic devices, estimated at approximately \$27,000 per beneficiary. As amended, the bill restricts coverage for a second, activity-specific prosthesis to one unit for every five-year period, per covered life. Based on information from the CDC on the number of individuals living with limb loss

nationally, the Department estimates the eligible New Hampshire population is about 19,800 individuals. However, only approximately 45% of NH residents hold membership in commercial, fully-insured health insurance plans which, if this proposal is enacted, would define the eligible population. Consequently, approximately 8,900 adults would be in the eligible population affected by limb loss. The Department assumes that only 10 to 30 percent of this eligible population would take up this benefit if it is enacted. The Department estimates the annualized fiscal impact may be in the range of \$4 to \$12 million. Any increase in health insurance premiums due to the expanded coverage would result in a corresponding increase in Insurance Premium Tax revenue for the State.

The Department of Administrative Services states while the regulations outlined by the Insurance Department (NHID) do not apply to self-funded health benefit plans like the State Employee Health Benefit Plan (HBP), the state has historically chosen to adopt similar provisions. When prosthetic device coverage was previously expanded for children under the HBP, it resulted in an estimated claims cost increase of approximately \$65,000 per year, which was considered immaterial and did not affect monthly premiums or working rates. If the current amendment is implemented for adults, the Department of Administrative Services estimates the claims cost could increase to over \$100,000 to \$500,000 annually. Due to the variability in utilization rates, it is not possible to determine precisely how many members would take advantage of the expanded coverage. As a result, the actual financial impact on the HBP remains indeterminable but is expected to be within the estimated range. The State would also bear administrative costs associated with implementing the amendment through its third-party medical administrator.

Local and county governments that purchase health insurance for their employees may experience increased premiums due to the expanded coverage for prosthetic devices. The extent of this impact will depend on the number of employees requiring such devices and the associated claims costs. However, the precise increase in premiums for counties and municipalities is indeterminable at this time.

AGENCIES CONTACTED:

Insurance Department and Department of Administrative Services