HB 1323-FN - AS AMENDED BY THE SENATE

04/23/2026 1339s
05/14/2026 1849s
05/14/2026 1982s
05/14/2026 1981s

2026 SESSION

26-2985
09/08

HOUSE BILL ***1323-FN***

AN ACT relative to parental alienation, limiting certain prior authorization requirements for physical therapy, occupational therapy, and similar rehabilitative services, relative to children's mental health services for persons 18 years of age and younger.

SPONSORS: Rep. Rice, Hills. 38; Rep. Kofalt, Hills. 32; Rep. Markell, Rock. 18; Rep. Packard, Rock. 16; Rep. DeSimone, Rock. 18; Rep. Osborne, Rock. 2; Rep. Nelson, Rock. 13; Rep. Bryer, Rock. 1; Sen. Avard, Dist 12; Sen. Sullivan, Dist 18; Sen. Abbas, Dist 22; Sen. Lang, Dist 2

COMMITTEE: Children and Family Law

AMENDED ANALYSIS

This bill:

I. Defines parental alienation to mean a pattern of behavior, conduct, or speech which would damage the relationship of the child and a parent, resulting in the child's fear, negative perception, rejection, or hostility toward their other parent, and adds standards for considering claims of parental alienation in certain cases involving children and parental rights.

II. Prohibits health carriers from requiring prior authorization for the first physical or occupational therapy visit in any new episode of care, and mandates approval of at least 8 medically necessary treatments after the initial evaluation before further review. This bill also preserves insurers' ability to deny claims deemed not medically necessary.

III. Establishes the New Hampshire children's behavioral health association for the purpose of collecting assessments to fund payments to care management entities for the provision of childhood behavioral health services. The association is authorized to collect assessments from insurance carriers, stop loss carriers, and third-party administrators for fully insured and self-funded health plans. The assessment base would include covered lives in the state employee health plan, as well as pooled risk management programs under RSA 5-b. The funds provided for this purpose would be deposited in a dedicated fund administered by the insurance commissioner.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty-Six

AN ACT relative to parental alienation, limiting certain prior authorization requirements for physical therapy, occupational therapy, and similar rehabilitative services, relative to children's mental health services for persons 18 years of age and younger.

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

1 New Paragraph; Parental Rights and Responsibilities; Definition Added. Amend RSA 461-A:1 by inserting after paragraph IV the following new paragraph:

IV-a. “Parental alienation” means a pattern of behavior, conduct, or speech that would damage the relationship of the child and a parent, resulting in the child’s fear, negative perception, rejection, or hostility toward their other parent. This includes, but is not limited to, communicating disparaging remarks to a child about their other parent, manipulating or coercing a child, and unjustified interference with parenting time. "Parental alienation" shall not include protective actions taken in good faith based on reasonable belief of abuse or neglect under RSA 169-C, a petition for a restraining order filed in good faith pursuant to RSA 458:16 or RSA 461-A:10, or a petition filed in good faith for a civil protection order pursuant to RSA 633:3-a or RSA 173-B.

2 Parental Rights and Responsibilities; Judicial Enforcement of Parenting Plan; Family Access Motion. Amend RSA 461-A:4-a, I to read as follows:

I. In the event of ***parental alienation or*** substantial and material noncompliance with a court approved parenting plan under this chapter, relative to denying or interfering with parenting time without good cause, the aggrieved parent may file a family access motion for enforcement of the parenting plan. The motion shall state the specific facts which constitute a violation of parenting time from the parenting plan.

3 Parental Rights and Responsibilities; Judicial Enforcement of Parenting Plan; Family Access Motion. Amend the introductory paragraph of RSA 461-A:4-a, IV to read as follows:

IV. Upon a ***written*** finding by the court pursuant to a motion for a family access order***, a motion alleging parental alienation,*** or a motion for contempt that its order for parenting time has been substantially and materially violated, without good cause, the court shall order a remedy, which may include, but not be limited to:

4 Parental Rights and Responsibilities; Decision-making Responsibility. Amend RSA 461-A:5, III to read as follows:

III. Where the court finds that abuse as defined in RSA 173-B:1, I***, or parental alienation as defined in RSA 461-A:1, IV-a,*** has occurred, the court shall consider such abuse ***or parental alienation*** as harmful to children and as evidence in determining whether joint decision-making responsibility is appropriate. In such cases, the court shall make orders for the allocation of parental rights and responsibilities that best protect the children or the abused spouse or both. If joint decision-making responsibility is granted despite evidence of abuse ***or parental alienation***, the court shall provide written findings to support the order.

5 Parental Rights and Responsibilities; Determination of Parental Rights and Responsibilities. Amend RSA 461-A:6, I(j)-(m) to read as follows:

(j) ***Any evidence of parental alienation, as defined in RSA 461-A:1, and the impact of parental alienation on the child and on the relationship between the child and the parents.***

(k) Any evidence of abuse, as defined in RSA 173-B:1, I or RSA 169-C:3, II, and the impact of the abuse on the child and on the relationship between the child and the abusing parent.

[~~(k)~~] ***(l)*** If a parent is incarcerated, the reason for and the length of the incarceration, and any unique issues that arise as a result of incarceration.

[~~(l)~~] ***(m)*** The policy of the state regarding the determination of parental rights and responsibilities described in RSA 461-A:2.

[~~(m)~~] ***(n)*** Any other additional factors the court deems relevant.

6 Parental Rights and Responsibilities; Modification. Amend RSA 461-A:11, I(b) to read as follows:

(b) If the court finds ***by a preponderance of the evidence that parental alienation has occurred or*** repeated, intentional, and unwarranted interference by a parent with the residential responsibilities of the other parent, the court may order a change in the parental rights and responsibilities [~~without the necessity of~~] ***upon a*** showing ***of*** harm to the child, if the court determines that such change would be in accordance with the best interests of the child.

7 Parental Rights and Responsibilities; Grandparents' Visitation Rights. Amend RSA 461-A:13, II(b) to read as follows:

(b) Whether ***allegations of parental alienation exist or if*** such visitation would interfere with any parent-child relationship or with a parent's authority over the child.

8 Parental Rights and Responsibilities; Attorneys' Fees in Contempt and Parental Alienation Cases. Amend RSA 461-A:15 to read as follows:

461-A:15 Attorneys' Fees in Contempt ***and Parental Alienation*** Cases. In any proceeding under this chapter in which a party alleges, and the court finds, that the other party has failed without just cause to obey a prior order, ***including cases of parental alienation,*** the court shall award reasonable costs and attorneys' fees to the prevailing party.

9 Guardianship of Minors and Estates of Minors; Statement of Purpose. Amend RSA 463:1 to read as follows:

463:1 Statement of Purpose.

I. It is the purpose of this chapter to secure for a minor an environment of stability and security by providing for the appointment of a guardian of the person when such appointment is in the best interests of the minor; and to provide for the appointment of a guardian of the estate for the proper management of the property and financial affairs of the minor.

II. This chapter is designed to provide procedural and substantive safeguards for the rights of parents and their minor children. Implicit in this chapter shall be the recognition that the interests of a minor are generally best promoted in the minor's own home unless the best interests of the minor require substitution or supplementation of parental care and supervision.

III. For purposes of determining the best interest of the child under this chapter, the court shall consider the factors set forth in RSA 461-A:6.

10 New Section; Managed Care Law; Prior Authorization for Physical Therapy and Occupational Therapy; When Required. Amend RSA 420-J by inserting after section 6-e the following new section:

420-J:6-f Prior Authorization for Physical Therapy and Occupational Therapy; When Required.

I. A health carrier shall not require prior authorization for physical therapy and occupational therapy, as defined in RSA 328-A:2, XI and RSA 326-C:1, IV, respectively, for the first visit of each new episode of care. Health carriers may require prior authorization following the covered person's first visit. Each health carrier shall provide prior authorization for physical therapy and occupational therapy, if medically necessary based on the evaluation of the patient at the initial visit, for not less than 8 treatments before requiring additional review for medical necessity, unless otherwise specified in the plan sponsor's contract with the health carrier. For purposes of this section, "new episode of care" means treatment for a new condition or treatment for a recurring condition for which an enrollee has not been treated within the previous 60 days.

II. This section shall not limit the right of a health carrier to deny a claim when an appropriate prospective or retrospective review concludes that the health care services or treatment rendered were not medically necessary.

11 New Subdivision; System of Care for Children's Mental Health; New Hampshire Children's Behavioral Health Association. Amend RSA 135-F by inserting after section 9 the following new subdivision:

New Hampshire Children's Mental Health Association

135-F:10 Definitions. In this chapter:

I. "Assessable coverage" means:

(a) Health coverage as defined in RSA 420-G:2, IX;

(b) Stop loss coverage that conforms with RSA 415-H:3, or other group excess loss insurance purchased against the risk that any particular claim, or total liability, will exceed a specified dollar amount; or

(c) Group health plan, as defined by 42 U.S.C. section 300gg-91(a).

II. "Assessable entity" means any:

(a) Health maintenance organization, as defined by RSA 420-B:1, VI.

(b) Third party administrator, as defined by RSA 402-H:1, I.

(c) Entity providing administrator services and required to register with the insurance commissioner under RSA 402-H:11-a or RSA 402-H:11-b.

(d) Insurance company licensed pursuant to RSA 401:1, IV.

(e) Health service corporation, as defined by RSA 420-A:1, III.

III. "Assessable lives" means all children under 19 years of age residing in the state who have assessable coverage written or administered by an assessable entity, with the exception of children whose childhood behavioral health services are paid for under Medicaid.

IV. "Assessment" means the assessable entity's liability with respect to the childhood behavioral health services determined in accordance with this chapter. For purposes of rate setting and medical loss ratio calculations, all association assessments are considered pharmaceutical or medical benefit costs and not regulatory costs. In the event of any insolvency or similar proceeding affecting any payer, assessments shall be included in the highest priority of obligations to be paid by or on behalf of such payer.

V. "Association" means the New Hampshire children's behavioral health association.

VI. "Board" means the board of directors of the New Hampshire children's behavioral health association.

VII. "Care management entity" means an organizational entity that serves as a centralized entity to coordinate all care for youth with complex behavioral health challenges who are involved in multiple systems and their families, as defined in RSA 135-F:4.

VIII. "Childhood behavioral health services" mean any of the following services:

(a) Behavioral health intensive in-home services, which are therapeutic interventions delivered to children and families in their homes and other community settings to improve child and family functioning and prevent out-of-home placement. The components of intensive in-home services include, but are not limited to individual and family therapy, skills training and behavioral interventions, functional supports, and family support and training.

(b) Behavioral health intensive structured outpatient programs, which include short-term, clinically intensive, structured day or evening service for a child with a behavioral health disorder, and provides multidisciplinary treatment to address the subacute needs of children and youth, while allowing them to continue to work or attend school and be part of family life.

(c) Intensive care coordination, including but not limited to evidence based approaches like a high-fidelity wraparound for children and youth with significant behavioral health conditions, which includes assessment and service planning, accessing and arranging for services, coordinating multiple services, including access to crisis services. Assisting the child and family to meet basic needs, advocating for the child and family, and monitoring progress are also included. The wraparound "facilitator" is the intensive care coordinator who organizes, convenes, and coordinates this process.

(d) Parent and youth peer support services provided by trained peer support specialists.

IX. "Commissioner" means the commissioner of the department of health and human services.

X. "Estimated cost" means the estimated cost to the state over the course of a state fiscal year to reimburse the care management entities for provision of the childhood behavioral health services they provide to assessable lives.

XI. "Provider" means a person licensed or certified by this state, or otherwise qualified to provide health care services to persons or a partnership or corporation made up of those persons.

XII. "Total non-federal program cost" means the estimated childhood behavioral health services cost less the amount of federal revenue available to the state for the administration and provision of childhood behavioral health services.

135-F:11 New Hampshire Children's Behavioral Health Association Established. There is hereby created a nonprofit corporation to be known as the New Hampshire children's behavioral health association. The association is formed to assess assessable entities for the cost of childhood behavioral health services provided to certain children in New Hampshire.

135-F:12 Membership, Powers, and Duties of the New Hampshire Children's Behavioral Health Association.

I. The New Hampshire children's behavioral health association shall be comprised of all assessable entities.

II. The New Hampshire children's behavioral health association shall be a not-for-profit, voluntary corporation under RSA 292 and shall possess all general powers of a not-for-profit corporation.

III. The board of directors shall include:

(a) Three representatives selected from the assessable entities currently writing, maintaining, or administering assessable coverage through a voting process where votes are based on assessable lives. The plan of operation shall provide details for this selection process.

(b) Two health care provider representatives appointed by the commissioner.

(c) The commissioner of the department of health and human services, who shall serve as an ex officio member.

(d) The commissioner of the department of insurance who shall serve as an ex-officio member.

(e) One member appointed by the governor and council who shall represent self-insured entities.

(f) One public member appointed by the speaker of the house of representatives.

(g) One public member appointed by the president of the senate.

IV. The directors' terms and appointments shall be specified in the plan of operation adopted by the New Hampshire children's behavioral health association.

V. The board of directors of the association shall:

(a) Prepare and adopt articles of association and bylaws.

(b) Prepare and adopt a plan of operation.

(c) Submit the plan of operation to the commissioner of insurance for approval after the consultation with the commissioner.

(d) Conduct all activities in accordance with the approved plan of operation.

(e) On an annual basis, no later than November 1 of each year, establish the amount of the assessment for the succeeding year.

(f) Enter into contracts as necessary or proper to collect and disburse the assessment.

(g) Enter into contracts as necessary or proper to administer the plan of operation.

(h) Sue or be sued, including taking any legal action necessary or proper for the recovery of any assessment for, on behalf of, or against members of the association or other participating person.

(i) Appoint from among its directors, committees as necessary to provide technical assistance in the operation of the association, including the hiring of independent consultants as necessary.

(j) Determine an assessment amount and collect payments from assessed entities in accordance with RSA 135-F:13.

(k) Submit an annual report to the commissioner of insurance, in a manner and form determined by the commissioner, listing the association membership base, providing a count of assessable lives by assessable entity, identifying changes in assessable lives by assessable entity, describing the collection of assessments, listing payment delinquencies, and containing such other related information as the commissioner may require.

(l) Allow each assessable entity up to 45 days after the closing of each calendar quarter to report its assessable lives and remit its corresponding assessment amount as calculated pursuant to RSA 135-F:13.

(m) Collect assessments from assessable entities as calculated under RSA 135-F:13 and deposit said assessments less the association's administrative costs annually and reserves with the state treasurer to the credit of the childhood behavioral health services fund established pursuant to

RSA 135-F:19. At the written request of the association following a majority vote of the board of directors, any funds forwarded to the state treasurer for the childhood behavioral health services fund remaining unexpended for childhood behavioral health services, shall promptly be returned to the association.

(n) Be authorized to enter into one or more agreements with other applicable authorities in surrounding states to reduce the risk of duplicate assessments and to assure provision of childhood behavioral health services for children who are residents of this state but who receive childhood behavioral health services in other states. Any costs relating to any such agreement shall be considered additional childhood behavioral health services costs of the program for purposes of determining the association's assessments.

(o) Adopt procedures by which affiliated assessable entities calculate their assessment on an aggregate basis and procedures to ensure that no assessable life is counted more than once. Unless otherwise determined by the board, the assessable entity responsible for the payment of the provider's administrative costs for childhood behavioral health services shall be the entity responsible for reporting assessable lives and payment of the corresponding assessment.

(p) Submit an annual report regarding the association's activities and its financial reports adopted by the department of health and human services to the president of the senate, the speaker of the house of representatives, and the governor.

(q) Perform any other functions as may be necessary or proper to carry out the plan of operation.

135-F:13 Assessment Determination.

I. The board shall determine an assessment for each assessable entity in accordance with this section. An assessment determination made pursuant to this section is a medical benefit cost and not a regulatory cost for purposes of calculating the carrier's medical loss ratio.

II. In determining the assessment amount, the board shall:

(a) Estimate the total non-federal program cost for the succeeding year;

(b) Add its anticipated operating costs for the succeeding year and such additional working capital reserves as may be established by the board from time to time;

(c) Add a reserve of up to 10 percent of the anticipated cost under subparagraph (a) for unanticipated costs associated with providing childhood behavioral health services to children covered; and

(d) Subtract the amount of any unexpended assessments collected in the preceding year along with any unexpended interest accrued to the fund during the preceding year.

III. The board shall include in its plan of operations, details regarding the timing for assessment collections, and the form and format assessable entities shall use to calculate assessments.

IV. The board shall include in its plan of operation details regarding payment due dates, grace periods, late payment fees, interest, and other details regarding the collection of assessments.

V. The board may determine an interim assessment for new childhood behavioral health services or unanticipated shortfalls in the association's ability to meet childhood behavioral health services funding needs. The board shall calculate the interim assessment in accordance with paragraph II, and the interim assessment is payable the calendar quarter that begins no less than 30 days following the establishment of the interim assessment. The board shall not impose more than one interim assessment per year.

VI. In the event that the association discontinues operation for any reason, any unexpended assessments, including unexpended funds from prior assessments in the state vaccine purchase fund, shall be refunded to payees in proportion to the respective assessment payments by payees over the most recent 8 quarters prior to discontinuation of association operations.

135-F:14 Powers and Duties. In addition to the duties and powers enumerated elsewhere in this chapter:

I. The commissioner of insurance shall, after notice from the association, issue a show cause order to any assessable entity that fails to comply with the association's plan of operation. In addition to late fees and other penalties imposed by the association, assessable entities may, after a finding of just cause, be subject to a minimum fine of $5,000, a maximum fine of 25 percent of the total amount of delinquent assessments, and licensure suspension.

II. The insurance commissioner shall annually review the assessment report required under RSA 135-F:12, V(k) to ensure that all assessable entities are participating in the association and that all assessable entities have accurately reported assessable lives. The association shall remedy any problem identified by the commissioner with respect to assessable entities and assessable lives.

III. The commissioner of insurance may adopt rules, pursuant to RSA 541-A, as necessary to carry out the purposes of this subdivision.

135-F:15 Examinations and Annual Reports. The board of directors shall submit to the commissioner, no later than 120 days after the close of the association's fiscal year, a financial report in a form approved by the commissioner.

135-F:16 Exemption From Taxes. The association shall be exempt from payment of all fees and all taxes levied by this state or any of its subdivisions, except taxes levied on real property.

135-F:17 Immunity from Liability. There shall be no liability on the part of and no cause of action of any nature shall arise against any association member or its agents or employees, the association or its agents or employees, members of the board of directors, or the commissioner or the commissioner's representatives, for any action or omission by them in the performance of their powers and duties under this chapter.

135-F:18 Severability of Chapter. If any provisions of this chapter or the application thereof to any person or circumstance is held invalid, the invalidity does not affect other provisions or

applications of the chapter which can be given effect without the invalid provisions or applications, and to this end the provisions of this chapter are severable.

135-F:19 Childhood Behavioral Health Services Fund. There is hereby established a childhood behavioral health services fund for the payment to the care management entities for the provision of childhood behavioral health services. Any funds provided to the department for this purpose and deposited in the fund shall not be used for any other purpose. Moneys in the fund shall be continually appropriated to the commissioner.

12 New Subparagraph; State Treasurer; Application of Receipts. Amended RSA 6:12, I(b) by inserting after subparagraph (410) the following new subparagraph:

(411) Moneys deposited in the childhood behavioral health services fund established in RSA 135-F:19.

13 Insurance; Coverage for Certain Biologically-Based Mental Illnesses. Amend RSA 417-E:1, V-a to read as follows:

V-a. The commissioner shall periodically require health insurers, health service corporations, and health maintenance organizations to submit the comparative analysis described in 42 U.S.C. section 300gg-26(a)(8)(A) for review to ensure compliance with this chapter and with the Act. ***These comparative analyses shall also include specific comparative data for medical/surgical benefits and mental health and substance use disorder benefits available to consumers by age group including ages 0-5 years and 18 years and younger, and including services available, coverage guidelines, denial rates, complaints about lack of services, network capacity data, provider qualifications and restrictions for comparable services, and other factors that indicate whether there are barriers to care that affect parity.*** To the extent allowable under state and federal law, such analysis shall be made public.

14 Effective Date.

I. Sections 1-10 of this act shall take effect January 1, 2027.

II. The remainder of this act shall take effect 60 days after its passage.

LBA
26-2985
5/19/26

HB 1323-FN- FISCAL NOTE

AS AMENDED BY THE SENATE (AMENDMENTS #2026-1849s, #2026-1982s, #2026-1981s)

AN ACT relative to parental alienation, limiting certain prior authorization requirements for physical therapy, occupational therapy, and similar rehabilitative services, relative to children's mental health services for persons 18 years of age and younger.

FISCAL IMPACT: This bill does not provide funding.

Estimated State Impact				
	FY 2026	**FY 2027**	**FY 2028**	**FY 2029**
Revenue	$0	**Section 10** Indeterminable Increase $250,000 to $1,250,000 (GF)	**Section 10** Indeterminable Increase $250,000 to $1,250,000 (GF)	**Section 10** Indeterminable Increase $250,000 to $1,250,000 (GF)
		Section 11-23 Indeterminable Increase > $2.5 million	**Section 11-23** Indeterminable Increase > $2.5 million	**Section 11-23** Indeterminable Increase > $2.5 million
Revenue Fund(s)	General Fund (GF), Health Insurance Assessment, Childhood Behavioral Health Services Fund			
Expenditures*	$0	**Sections 1-9** Indeterminable Increase $50,000 to $100,000	**Sections 1-9** Indeterminable Increase $100,000 to $200,000	**Sections 1-9** Indeterminable Increase $100,000 to $200,000
		Section 11-23 Indeterminable Increase > $2.5 million	**Section 11-23** Indeterminable Increase > $2.5 million	**Section 11-23** Indeterminable Increase > $2.5 million
Funding Source(s)	General Fund (GF), Health Insurance Assessment, Childhood Behavior Health Services Fund			
Appropriations*	$0	$0	$0	$0
Funding Source(s)	None			

***Expenditure = Cost of bill** ***Appropriation = Authorized funding to cover cost of bill**

Estimated Political Subdivision Impact (Sections 10 thru 23)				
	FY 2026	**FY 2027**	**FY 2028**	**FY 2029**
County Revenue	$0	$0	$0	$0
County Expenditures	$0	Indeterminable	Indeterminable	Indeterminable
Local Revenue	$0	$0	$0	$0
Local Expenditures	$0	Indeterminable	Indeterminable	Indeterminable

METHODOLOGY:

Sections 1 thru 9

Sections 1 thru 9 of this bill defines "parental alienation" and requires courts to consider evidence of such behavior in determining parental rights and responsibilities, decision-making authority, and related family law matters. The bill also expands the availability of family access motions to include allegations of parental alienation and requires the court to award attorneys' fees in certain cases.

The Judicial Branch states this bill will increase General Fund expenditures beginning in FY 2027 by an indeterminable amount as the bill expands family law case requirements and is expected to increase the number and complexity of filings in the Family Division. The expansion of family access motions to include allegations of parental alienation and additional procedural requirements will require increased case processing, judicial review, and staff support. The Branch states to administer this bill they need one case manager at labor grade 22, step 3, with an estimated cost of a $89,000 starting in FY 2028. In addition, one senior court operations specialist at labor grade 19, step 3, would be required, at a cost of $84,000 in FY 2028 and forward. The combined cost for these two positions is therefore estimated at approximately $173,000 in FY 2028 and forward, with half the impact felt in FY 2027. These amounts include salary, benefits, and equipment.

The Branch notes there may be additional costs associated with judicial and staff training, case form revisions, and updates to case processing manuals. The Branch estimates the fiscal impact on expenditures to be between $100,000 to $200,000 annually starting in FY 2028, with half the impact felt in FY 2027. It is assumed the Branch would include the costs of the two positions in their FY 2028 and FY 2029 budget request.

Section 10

Section 10 of this bill amends RSA 420-J to prohibit health carriers from requiring prior authorization for the first visit of physical therapy and occupational therapy for each new episode of care and requires approval of at least 8 medically necessary treatments following the initial evaluation before additional review. A "new episode of care" is defined as treatment for a new condition or a condition not treated within the previous 60 days. Health carriers may still deny claims if treatment is determined not to be medically necessary.

The Insurance Department states prior authorization is a commonly used cost-containment mechanism in health insurance. The Department indicates that limiting prior authorization requirements for these services may increase the frequency of claims and total claims costs for physical and occupational therapy services. Increased claims costs may result in higher

insurance premiums, which would increase Insurance Premium Tax revenue deposited into the General Fund. The Department estimates the increase in state revenue to be indeterminable but likely between $250,000 and $1,250,000 annually.

To the extent counties and municipalities purchase group health insurance, they could see an increase in their health insurance premiums.

Section 11 thru 23

Sections 11 thru 23 of this bill creates an association for the purpose of collecting assessments to fund payments to care management entities for the provision of childhood behavioral health services. The Association is authorized to collect assessments from insurance carriers, stop loss carriers, and third-party administrators for fully insured and self-funded health plans. The assessment base would include covered lives in the state employee health plan, as well as pooled risk management programs under RSA 5-b. The funds provided for this purpose would be deposited in the Childhood Behavioral Health Services Fund created by the bill.

The fiscal analysis that follows is based on information provided by the Insurance and Health and Human Services Departments in response to an equivalent bill from the 2025 legislative session.

The Insurance Department (NHID) estimates that the number of covered lives will be approximately 160,000. The NHID states that the assessment amount is indeterminable, as it is based primarily on an estimate of the cost of reimbursing care management entities for the provision of childhood behavioral health services they provide to assessable lives. The NHID assumes this refers to costs currently covered by the Department of Health and Human Services (DHHS) for the Medicaid population. In addition to program costs, the assessment would also cover administrative costs, as well as maintain a 10 percent reserve. The NHID estimates the administrative costs would be approximately $175,000 and would likely increase with inflation.

The NHID assumes the assessment in the bill would exert upward pressure on premiums and increase costs for self-funded plans, including the state employee health plan and municipal pooled risk management programs. Any increases to premiums would increase the corresponding premium tax dollars collected. However, a significant rise in health insurance premiums could also cause consumers to purchase cheaper, less benefit rich plans or forgo the purchase of health insurance altogether, which could have a negative impact on the premium tax collected. County and local government expenditures for health insurance could be impacted. The NHID notes the assessment amount would also be subject to retaliatory taxes by other states which would cause NH domestic insurers' tax base in other states to rise as well.

The NHID assumes the total assessment, administrative cost and 10% reserve percentage would likely be greater the $2.5 million per year and that it would likely be able to absorb any additional responsibilities within its current budget. The NHID notes that it is possible the legality of this proposed assessment could be challenged, which could result in additional litigation costs for the State.

The Department of Health and Human Services (DHHS) assumes the money in the dedicated Childhood Behavioral Health Services Fund would not lapse, though the language as written does not currently indicate that, so if enacted as proposed, the funds would lapse at the end of each fiscal year. The DHHS assumes the expenses to support the New Hampshire Children's Mental Health Association operation would also be funded from this revenue source and suggests this be clarified in proposed RSA 135-F:13. The DHHS anticipates the bill would result in an indeterminable increase in state revenues and expenditures. The estimated range of impact would likely be $2,000,000 to $3,000,000 per fiscal year. In the last three calendar years, the Care Management Entity billing for these services, paid for with State funds, ranged from $1.1 million to $2 million. The range estimated was determined utilizing this actual data as a base, with additional amounts added in consideration of the assessment determination outlined in Section 135-F:13, such as the reserve of up to 10 percent of the anticipated cost, additional working capital reserves as may be established by the board from time to time, and the board's operations.

The DHHS notes a possible error in Section 135-F:13 VI, as it references the "state vaccine purchase fund" and not the "Childhood Behavioral Health Services Fund."

It is assumed that any fiscal impact would occur after FY 2026.

AGENCIES CONTACTED:

Judicial Branch, Insurance Department, and Department of Health and Human Services