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FROM	NAME & TITLE	Robert Cename, Budget Director	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Bureau of the Budget and Management Research Room 432, City Hall (410) 396-4774		
	SUBJECT	City Council Bill 20-0613– Employee Health Care Services Providers-Contraceptive Coverage		

DATE:

TO

The Honorable President and
Members of the City Council
City Hall, Room 400

October 9, 2020

Position: Oppose

The Department of Finance is herein reporting on City Council Bill 20-0613, Employee Health Care Services Providers-Contraceptive Coverage, the purpose of which is to require that health care services providers for City health insurance provide certain contraceptive coverage and health services for City employees.

Background

The Department of Human Resources (DHR) oversees the City’s health insurance bidding process and benefits administration. Under the City’s current health insurance plans, all generic forms of medications require no co-payment and are dispensed as either a 30-day supply at a pharmacy or a 90-day supply by mail. The legislation, as written, requires that health care carriers certify, prior to bidding, that coverage will include all Food and Drug Administration (FDA) approved prescribed and over-the-counter contraceptive methods without cost-sharing, except under certain provisions; dispensing of 12 month supplies of contraceptive medications; and providing contraceptive counseling and follow-up services without cost-sharing. In addition, the legislation requires that any carrier contracting with the City must provide consumer-friendly comprehensive coverage information.

Fiscal Impact Analysis

The Department of Finance defers to DHR on the possible cost implications of this legislation since the City’s current coverage includes many of the cost sharing provisions outlined in the legislation.

Other Considerations

DHR has raised concerns about the impact of this legislation on future contract bidding processes. The Department of Finance is concerned that requiring prequalification may limit the City’s ability to negotiate the best range of provisions for employees in the future.

Conclusion

This legislation will require health care carriers to certify that they provide certain contraceptive coverage before bidding and, if awarded a contract, meet certain standards for contraceptive coverage. Based on DHR’s assessment of this legislation, it appears duplicative of what is already covered in the City’s plans and could restrict the City’s bidding process in the future.

For the reasons stated above, the Department of Finance opposes City Council Bill 20-0613.

cc: Henry Raymond
Matthew Stegman
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