

Sumber: <http://www.stanford.edu/class/siw198q/modelppr/amber2.htm>

To: Bob Cook-Deegan

From: Amber Johnson

Date: February 8, 2000

Re: Federal Mandate for Infertility Treatment Coverage by Insurance Providers

Statement of Issue: 6 million Americans currently suffer from a medical disorder resulting in infertility. Because only 14%-17% of insurance companies provide coverage for fertility services, including assisted reproductive technologies, access to treatment is restricted to the affluent who pay high out-of-pocket expenses. Without insurance coverage, costs are spread across a small fraction of the population, increasing per capita rates for treatment and encouraging physicians to favor quicker and cheaper practices that compromise quality of care and raise health care costs.

- **Reproduction is a “major life activity”** according to the Supreme Court. By denying access to effective treatment for most socioeconomic groups, current policy violates the Americans with Disabilities Act.
- **Costs of infertility treatments without insurance coverage are a significant barrier to access.** An infertile couple will pay an average of \$59,484 in medical expenses per live delivery with assisted reproductive technologies.
- **Premium increases to provide insurance coverage for infertility treatments are low.** The monthly cost of providing infertility treatment in Massachusetts, which mandates coverage, is approximately \$0.26 per person.
- **Exclusion of infertility coverage increases multiple gestation, the main cause of neonatal morbidity in IVF patients.** With financial and time pressure from patients with limited funds, doctors have incentives to maximize pregnancy outcomes that may negatively affect maternal and neonatal health and increase hospital costs.

Policy Options

- A federal mandate for annualized case rate packages, would require all insurance companies to provide infertility treatment. Local provider communities would decide on specific treatment algorithms and base their one-year case rates of unlimited services on these algorithms. Patients would receive treatment at designated centers. Supported by infertility interest groups such as RESOLVE and many women’s groups.
 - **Advantages:** Provides coverage to all patients, reducing per capita costs and allowing insurance companies to negotiate discounts for services. Resolves ethical issue of discrimination under ADA. Eliminates incentives for couples to seek premature ART, reducing the risk of multiple gestation and limiting related health care costs. Eliminates discrepancies between states.
 - **Disadvantages:** Increases premiums for all payers, most without infertility problems. Encourages more people to seek treatment, increasing costs. Reluctance to increase premiums and payments from providers, who argue that infertility is not a life-threatening disease. Mixed support from reproductive specialists, who will either benefit or lose business through designation of treatment centers.
- A restricted federal mandate, similar to the above option in structure, would limit coverage only to those with higher probability of success, such as younger women

with no male-factor infertility. Limits could also be placed on the number of treatment cycles performed.

- **Advantages:** Less costly than a full federal mandate. Provides coverage for couples with best chances of success, limiting costs. May encourage couples with little hope of conceiving to consider adoption. Insurance company support more likely for limited mandate.
- **Disadvantages:** Limits on treatment will encourage overuse of ART and incidence of multiple gestation. Would not fully resolve discrimination issue, because clear restrictions are difficult to set. Consumer savings from reduced benefits would be small relative to total premiums.
- Optional state mandates, already successful in areas such as Illinois and Massachusetts, would leave discretion to state legislatures. As already reflected in current legislation, the scope and restrictions of the initiatives would vary considerably, and the federal government would make no requirement stipulating mandatory coverage.
 - **Advantages:** Doctors, providers, and patients could be encouraged to limit costs without government intervention. More individualized policies depending on state demographics. Less opposition from national insurance providers.
 - **Disadvantages:** Many current state policies have significant restrictions on coverage. Variety in state policies could not address problem of multiple gestation and overuse of ART as effectively. Insurance companies who provide coverage in states without mandate will pay disproportionately high costs as more people enroll in their plans.

Policy Recommendation: With rising usage rates of infertility treatment, along with rising rates of multiple gestation, quick reform is necessary to ensure patients have access to cost-effective, quality care. Although state reform has worked in some areas, the time needed for broad implementation in states without current initiatives hurts the health of patients. A federal mandate without significant restrictions, streamlining care and providing consistency between states, will increase access to many people in a short amount of time. While this option costs money, individual burden will be very minimal. Additionally, the costs of infertility treatments and ART have been steadily falling with rising use, suggesting that infertility treatments will be more affordable as the market grows through expanded insurance coverage.

Sources:

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