



**CONGRESSIONAL BUDGET OFFICE
PRIVATE-SECTOR MANDATE STATEMENT**

September 11, 1998

**Additional Information on
S. 2330
Patients' Bill of Rights Act of 1998**

As modified by the sponsors

CBO's cost estimate of September 4, 1998, identified a number of provisions in S. 2330 that would constitute private sector mandates as defined in the Unfunded Mandates Reform Act of 1995 (UMRA). It estimated that the cost of the mandates to private sector entities would exceed the threshold specified in UMRA (\$100 million in 1996, adjusted annually for inflation). This document provides additional information on the cost of the mandates in the bill.

Several provisions in S. 2330 would impose requirements on some or all private health insurers and health plans. Particular mandates include the following:

- o Provisions in Title I ensuring patients' rights to medical advice and care, and specifying requirements for grievances, appeals, and patient information;
- o Requirements in Title II for confidentiality of medical records; and
- o Standards in Title V for breast cancer treatment.

The patients' rights provisions would affect only self-insured ERISA plans, while the other mandates in Title I would be imposed on all group health plans. All private health insurers and health plans would be required to comply with the mandates in Titles II and V.

CBO's estimate of the direct cost of the private-sector mandates in S. 2330 appear in the following table. The annual cost would rise from \$160 million in 2000 to \$1,300 million in 2004; the total direct cost over the 5-year period would be \$3,610 million.

TABLE: ESTIMATED DIRECT COST OF THE PRIVATE SECTOR MANDATES IN S. 2330, THE PATIENTS' BILL OF RIGHTS ACT OF 1998

	By Fiscal year, in Millions of Dollars				
	2000	2001	2002	2003	2004
Provisions in Titles I, II, and V	160	450	700	1,000	1,300

SOURCE: Congressional Budget Office.
