



DOAA

Georgia Department
of Audits & Accounts

Greg S. Griffin
State Auditor

January 9, 2026

Honorable Sandra Scott
State Representative
611-A Coverdell Legislative Office Building
Atlanta, Georgia 30334

SUBJECT: Fiscal Note
House Bill (LC 52 0887)

Dear Representative Scott:

This bill would expand the definition of biomarker testing to include blood-based biomarkers used to detect Alzheimer's disease and related dementias, as well as diagnostic imaging, and cerebrospinal fluid analysis. All health benefit policies would be required to cover biomarker testing and coverage would not be subject to step therapy protocols. The bill would also require the State Health Benefit Plan (SHBP) and the University System of Georgia (USG) health plan to cover diagnosis and treatment for Alzheimer's disease and related dementias. The coverage would not be subject to step therapy protocols.

The bill would result in estimated additional costs of between \$741,000 and \$1.93 million annually for the Department of Community Health (DCH), USG, and Office of the Commissioner of Insurance and Safety Fire (OCI), as shown in **Table 1**.

Table 1: Estimated Annual Costs by Agency

DCH	USG	OCI	Total
\$560,000 to \$1.6 million	\$84,000 to \$234,000	\$97,200	\$741,200 to \$1.93 million

Department of Community Health

The SHBP does not have claims experience for these types of diagnostic services. Two methodologies were used to estimate a cost range of \$560,000 to \$1.6 million per year (see **Table 2**). Method One is based on the prevalence of Alzheimer's disease among those aged 65 and older (11.11% of the SHBP population in the age group), while Method Two is based on the percentage of the same population with a close relative diagnosed with Alzheimer's (approximately 31%). The methodologies limit utilization to a subset of SHBP members who are newly reaching the typical testing age (65) each year. For the cost of individual services, DCH relied on publicly available cost information on biomarker testing and commonly billed procedure codes.

Table 2: Estimated Annual Costs for SHBP

Method 1		Method 2	
Utilizers	Cost	Utilizers	Cost
1,950	\$559,542	5,440	\$1,561,761

The bill also requires health plans to cover medically necessary treatments for Alzheimer's disease and Alzheimer's related dementias. DCH indicated that these services are already covered by Medicaid.

University System of Georgia

The number of impacted members for USG is approximately 15% of the SHBP population. Assuming a similar percentage of USG members turning 65 annually, we applied the same methodologies to provide an annual cost estimate of \$84,000 to \$234,000 (**Table 3**) for testing.

Table 3: Estimated Annual Costs for USG

Method 1		Method 2	
Utilizers	Cost	Utilizers	Cost
292	\$83,674	816	\$234,431

Administrative Costs for OCI

The bill would require OCI to submit annual reports on the bill's implementation, including information from all health insurers issuing or renewing health benefit policies on the number of claims for diagnostic testing and treatments for Alzheimer's disease and Alzheimer's related dementias, the average amount of cost sharing, the average time for processing prior authorization requests, and demographic and geographic utilization data. OCI estimates it would need \$97,200 in salary and benefits for one employee to manage these responsibilities.

There are additional factors which could impact the cost of implementing the bill. These are explained below.

- DCH's analysis assumes that the removal of step therapy applies only to biomarker testing for Alzheimer's disease and Alzheimer's related dementias. If the step therapy prohibition was interpreted more broadly to include all biomarker testing across all conditions, the fiscal impact would be higher.
- OCI indicated it would likely have information technology costs to comply with the bill's reporting requirements. The cost is unknown.
- Federal law requires that states defray the cost to marketplace plans of benefits not included in their essential health benefits benchmark plan. If the state does not update its benchmark plan to include the new benefits, it must pay for those benefits provided by marketplace plans. An actuarial study would be required to determine the defrayal costs.

Respectfully,



Greg S. Griffin
State Auditor



Richard Dunn, Director
Office of Planning and Budget