

Department of Legislative Services
Maryland General Assembly
2024 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 938

(Senators Augustine and A. Washington)

Finance

Health and Government Operations

**Maryland Department of Health - Public Education Campaign on Prostate,
Lung, and Breast Cancer Prevention**

This bill requires the Maryland Department of Health (MDH) to develop and implement a three-year public education campaign on prostate, lung, and breast cancer prevention that targets communities disproportionately impacted by those cancers. The campaign must (1) provide educational information, as specified; (2) promote cancer screenings; and (3) provide information on legislation that reduces cost barriers to prevention services. MDH must set measurable goals for the public education campaign and include information on the status of meeting those goals, as part of the annual reports that must be submitted to the General Assembly on Cigarette Restitution Fund (CRF) activities, by December 1, 2027, and annually through December 1, 2029. For fiscal 2026 through 2030, the Governor must include in the annual budget bill an appropriation to MDH from CRF for the public education campaign. The total amount appropriated from CRF for the public education campaign over that period is capped at \$750,000. **The bill takes effect July 1, 2025, and terminates June 30, 2031.**

Fiscal Summary

State Effect: The bill does not materially affect overall CRF expenditures; however, the bill likely shifts up to \$750,000 in total CRF expenditures over a five-year funding period (FY 2026 through 2030) from existing programs funded by CRF to the public education campaign, as discussed below. Revenues are not affected. **This bill establishes a mandated distribution for FY 2026 through 2030.**

Local Effect: The bill does not directly affect local government operations or finances.

Small Business Effect: Minimal.

Analysis

Bill Summary: In developing the public education campaign, MDH must work with health care providers, hospitals, and health care associations that focus on prostate, lung, and breast cancer.

In implementing the public education campaign, MDH must (1) use communications tools and messaging; (2) post all materials on its website in a conspicuous manner and in an accessible format; and (3) develop partnerships with health agencies, nonprofit organizations, and private entities that work with communities disproportionately impacted by prostate, lung, and breast cancer.

MDH must develop the public education campaign by December 1, 2026, and implement the campaign by January 1, 2027.

The bill also establishes the public education campaign as a required use of CRF monies.

Current Law:

Cancer Prevention, Education, Screening, and Treatment Program

MDH's Cancer Prevention, Education, Screening, and Treatment Program provides and administers grants to local health departments to reduce cancer mortality and cancer disparities in Maryland. Funds may be used to provide prevention, early detection, and/or treatment services for seven-targeted cancers: lung and bronchus; colorectal; breast, cervical; prostate; skin (melanoma); and oral cancers.

Breast Cancer Program

MDH's Breast Cancer Program provides (1) at least biennial screening mammograms and clinical breast examinations to low-income, uninsured and low-income, underinsured women ages 40 to 49; (2) annual screening mammograms and clinical breast examinations to low-income, underinsured and low-income, uninsured women ages 50 and older; and (3) diagnosis and treatment for people identified by the program as being in need.

An individual is eligible for the program if the individual has a family income up to 250% of the federal poverty level and does not have access to health insurance coverage that covers screening mammograms and clinical breast examinations for women ages 40 and older.

The program's breast cancer screening services are mainly provided through the Maryland Breast and Cervical Cancer Screening Program (BCCP). BCCP provides low-income,

uninsured and underinsured women access to timely breast and cervical cancer screening and diagnostic services.

Mandated Health Insurance Benefits

Under Maryland law, there are more than 50 mandated health insurance benefits that specified carriers must provide to their enrollees. Carriers must provide specified coverage for prostate, lung, and breast cancer screenings.

Breast Cancer: A carrier must cover breast cancer screenings in accordance with the latest screening guidelines issued by the American Cancer Society. Currently, the guidelines specify that (1) women ages 40 to 44 may elect to get annual breast cancer screenings with mammograms and (2) starting at age 45, women should have mammograms every year. A carrier must also provide coverage for digital tomosynthesis if an enrollee's treating physician determines it is medically appropriate and necessary. A deductible may not be imposed for covered digital tomosynthesis or mammograms. A carrier may generally not impose a copayment, coinsurance, or deductible for a diagnostic breast examination or a supplemental breast examination.

Lung Cancer: A carrier must provide coverage for recommended follow-up diagnostic imaging to assist in the diagnosis of lung cancer for individuals for which lung cancer screening is recommended by the U.S. Preventative Services Task Force. Coverage must include diagnostic ultrasound, magnetic resonance imaging, computed tomography, and image-guided biopsy. A carrier may generally not impose a copayment, coinsurance, or deductible requirement on coverage for lung cancer screening and diagnosis that is greater than the copayment, coinsurance, or deductible requirement for breast cancer screening and diagnosis.

Prostate Cancer: Carriers must provide coverage for a medically recognized diagnostic examination that must include a digital rectal exam and a prostate-specific antigen blood test (1) for men between 40 and 75 years of age; (2) when used to guide patient management in monitoring the response to prostate cancer treatment; (3) when used for staging in determining the need for a bone scan in patients with prostate cancer; or (4) when used for male patients who are at high risk for prostate cancer.

Cigarette Restitution Fund

Chapters 172 and 173 of 1999 established CRF, which is supported by payments made under the Master Settlement Agreement (MSA). Through the MSA, settling tobacco manufacturers pay the litigating parties – 46 states, 5 territories, and the District of Columbia – substantial annual payments in perpetuity. The distribution of MSA funds

among the states is determined by formula; as of April 2022, Maryland has received over \$3.3 billion since 1999.

The use of CRF funds is restricted by statute. The Governor must include appropriations from CRF in the annual budget bill equivalent to the lesser of \$100.0 million or 90% of the funds estimated to be available to CRF in the fiscal year for which the appropriations are made. At least 30% of the appropriations must be made to Medicaid. At least 50% of the appropriations must be dedicated to the Tobacco Use Prevention and Cessation Program; the Cancer Prevention, Education, Screening, and Treatment Program; specified activities of the Southern Maryland Agricultural Development Commission; and other programs that serve specified purposes, including, among others, reduction of the use of tobacco products by individuals younger than age 21, prevention, treatment, and research concerning specified diseases, tobacco product use, and tobacco control, including operating costs and related capital projects; and any other public purpose.

Under § 7-317(j) of the State Finance and Procurement Article, the *Governor* must report annually to the General Assembly by December 1 on total funds expended from CRF, by program and subdivision, in the prior fiscal year and the specific outcomes of public benefits resulting from that expenditure.

State Expenditures: The fiscal 2025 budget as introduced includes \$136.7 million in total CRF expenditures. Of those expenditures, \$116.4 million are health related, including \$39.9 million for Medicaid; \$27.2 million for cancer; \$16.8 million for substance abuse; \$13.2 million for breast and cervical cancer; \$11.3 million for tobacco enforcement, prevention, and cessation; and \$8.0 million for the Maryland Community Health Resources Commission. The projected fund balance for CRF at the end of fiscal 2025 is approximately \$21,000.

For fiscal 2026 through 2030, the Governor must include in the annual budget bill an appropriation to MDH from CRF for the public education campaign. While the bill does not include a specific *annual* funding amount, the total appropriated for this purpose from fiscal 2026 through 2030 is capped at \$750,000. Assuming that appropriations total the maximum permissible amount under the bill, approximately \$150,000 may be appropriated annually over the five-year period during which funding is required, though funding needs may vary over those five years. For example, the Department of Legislative Services notes that, since the bill does not require MDH to implement the campaign until January 1, 2027, costs may be lower in fiscal 2026 and 2027.

Also, given the minimal fund balance estimated to remain in CRF at the end of fiscal 2025, this analysis assumes that *total* spending from CRF does not increase; instead, the required funding must be reallocated from other programs funded from CRF to finance the public education campaign. At this time, MDH cannot advise on which programs may be affected.

However, less funding from CRF is available for other, nonmandated, purposes in fiscal 2026 through 2030 due to the requirement to provide funding for the public education campaign in each of those years.

Further, to the extent that such nonmandated CRF monies have been applied to Medicaid, which is an entitlement program, up to \$750,000 in general fund expenditures are needed over the period fiscal 2026 through 2030 to backfill for the special funds that no longer go to Medicaid.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: HB 1293 (Delegate Woods, *et al.*) - Health and Government Operations.

Information Source(s): Department of Budget and Management; Maryland Department of Health; Department of Legislative Services

Fiscal Note History: First Reader - March 1, 2024
rh/jc Third Reader - March 26, 2024
Revised - Amendment(s) - March 26, 2024

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