

Department of Legislative Services
Maryland General Assembly
2024 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 1259

(Delegate Alston, *et al.*)

Health and Government Operations

Finance

Health Insurance - Breast and Lung Cancer Screening - Coverage Requirements

This bill expands the current prohibition on cost sharing for coverage of supplemental breast examinations to include image-guided breast biopsy. The current mandated health insurance benefit for coverage of recommended follow-up diagnostic imaging to assist in the diagnosis of lung cancer is clarified to include lung cancer screening. Such coverage may not be subject to a prior authorization requirement. **The bill takes effect January 1, 2025, and applies to all policies, contracts, and health benefit plans issued, delivered, or renewed in the State on or after that date.**

Fiscal Summary

State Effect: Minimal increase in special fund revenues for the Maryland Insurance Administration in FY 2025 from the \$125 rate and form filing fee; review of filings can be handled with existing budgeted resources. No impact on the State Employee and Retiree Health and Welfare Benefits Program as it currently complies with the bill's requirements.

Local Effect: Potential minimal increase in expenditures for local governments that purchase fully insured medical plans to the extent the bill increases the cost of health insurance. Revenues are not affected.

Small Business Effect: Minimal.

Analysis

Current Law: Under Maryland law, there are more than 50 mandated health insurance benefits that certain carriers must provide to their enrollees.

“Supplemental breast examination” means a medically necessary examination of the breast that is used to screen for breast cancer when (1) there is no abnormality seen or suspected from a prior examination and (2) there is a personal or family medical history or other factors that may increase an individual’s risk of breast cancer. A supplemental breast examination includes the usage of breast magnetic resonance imaging or breast ultrasound.

Chapters 298 and 299 of 2023 prohibit carriers that provide coverage for a diagnostic breast examination or a supplemental breast examination from imposing a copayment, coinsurance, or deductible requirement for such examinations, except as specified. If an insured or enrollee is covered under a high-deductible health plan (HDHP), a carrier may subject diagnostic breast examinations or supplemental breast examinations to the HDHP’s deductible requirement. Chapters 298 and 299 also required the Maryland Health Care Commission (MHCC) to study and report on the financial impact of eliminating health insurance cost sharing for diagnostic image-guided biopsies for breast cancer.

Chapters 353 and 354 of 2023 require carriers to 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. The coverage must include diagnostic ultrasound, magnetic resonance imaging, computed tomography, and image-guided biopsy. A carrier may 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. However, if an insured or enrollee is covered under an HDHP, a carrier may subject follow-up diagnostic lung imaging to the deductible requirement of the HDHP.

The federal Patient Protection and Affordable Care Act requires nongrandfathered health plans to cover 10 essential health benefits (EHBs), which include items and services in the following categories: (1) ambulatory patient services; (2) emergency services; (3) hospitalization; (4) maternity and newborn care; (5) mental health and substance use disorder services, including behavioral health treatment; (6) prescription drugs; (7) rehabilitative and habilitative services and devices; (8) laboratory services; (9) preventive and wellness services and chronic disease management; and (10) pediatric services, including dental and vision care.

Under § 31-116 of the Maryland Insurance Article, EHBs must be included in the State benchmark plan and, notwithstanding any other benefits mandated by State law, must be the benefits required in (1) all individual health benefit plans and health benefit plans offered to small employers (except for grandfathered health plans) offered outside the Maryland Health Benefit Exchange (MHBE) and (2) all qualified health plans offered in MHBE.

Additional Comments: In January 2024, MHCC submitted its [report](#) on the impact of eliminating cost sharing for diagnostic image-guided biopsies for breast cancer. The report found that the financial impact on claims costs is estimated to be \$0.33 per member per month or 0.06% of total costs, which includes the impact of additional screenings, the elimination of cost sharing, and medical savings due to early detection.

Additional Information

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

Designated Cross File: None.

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

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