Department of Legislative Services Maryland General Assembly 2003 Session

FISCAL AND POLICY NOTE

Senate Bill 148	(Chairman, Finance Committee)
	(By Request – Departmental – Insurance Administration, Maryland)
Finance	Health and Government Operations

Health Insurance - Medical Clinical Trials - Reporting Requirements

This departmental bill repeals the requirement that an insurer, nonprofit health service plan, or HMO (carrier) report to the Insurance Commissioner regarding clinical trials the carrier covered during the previous year. The bill also repeals the requirement that the Insurance Commissioner report annually to the Senate Finance Committee and the House Economic Matters Committee on the clinical trial information compiled from carrier reports.

The bill takes effect June 1, 2003.

Fiscal Summary

State Effect: None. The Maryland Insurance Administration (MIA) would no longer be required to compile an annual summary report regarding clinical trials. The report's elimination would cause a minimal reduction in workload but would not result in any actual savings.

Local Effect: None.

Small Business Effect: MIA has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment.

Analysis

Current Law: A carrier must provide coverage for patient costs incurred as a result of treatment provided in a clinical trial for: (1) a life-threatening condition; or (2) prevention, early detection, and treatment studies on cancer. The Insurance Commissioner must compile an annual summary report of clinical trial information received from carriers and report to the Senate Finance Committee and the House Environmental Matters Committee.

Background: In 2001 MIA underwent an evaluation performed by the Department of Legislative Services (DLS) in accordance with the Maryland Program Evaluation Act (sunset review). In its report, DLS recommended that MIA study all current reporting requirements and report to the Senate Finance and House Economic Matters committees by October 1, 2002 on its recommendations for consolidating necessary report elements into the annual report requirements and eliminating unnecessary reports.

In 2001 the Insurance Commissioner indicated that carriers are unable to identify clinical trial information for several reasons, including that claims for services rendered as part of a clinical trial do not appear on claim forms. Because the data necessary to compile a report are difficult to obtain, MIA is requesting that this reporting requirement be eliminated.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland Insurance Administration, Department of Legislative Services

Fiscal Note History: First Reader - January 29, 2003 ncs/jr

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