

**Department of Legislative Services**  
Maryland General Assembly  
2009 Session

**FISCAL AND POLICY NOTE**  
**Revised**

House Bill 405 (Delegate Pena-Melnyk, *et al.*)

Health and Government Operations

Finance

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**Health Insurance - Mandated Benefits - Breast Cancer Screening**

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This bill alters the current health insurance mandate regarding coverage of mammograms by requiring insurers, nonprofit health service plans, and health maintenance organizations to provide coverage for breast cancer screening in accordance with the latest screening guidelines issued by the American Cancer Society.

The bill applies to all policies, contracts, and health benefit plans issued, delivered, or renewed in the State on or after October 1, 2009.

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**Fiscal Summary**

**State Effect:** Minimal increase in special fund revenues for the Maryland Insurance Administration (MIA) in FY 2010 from the \$125 rate and form filing fee. Minimal increase in special fund expenditures for MIA in FY 2010 to review contract amendments for compliance with the bill. No increase in expenditures is anticipated for the State Employee and Retiree Health and Welfare Benefits Program (State Plan).

**Local Effect:** To the extent health insurance premiums increase under the bill, expenditures may increase for local jurisdictions' insured health benefit plans.

**Small Business Effect:** None. The bill does not apply to the small group health insurance market.

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## Analysis

**Current Law:** There are 43 mandated health insurance benefits that certain carriers must provide to their enrollees. Coverage is required for (1) a baseline mammogram for women who are 35 to 39 years old; (2) a mammogram every two years, or more frequently if recommended by a physician, for women who are 40 to 49 years old; and (3) an annual mammogram for women who are age 50 and older. Carriers are not required to cover screening mammograms used to identify breast cancer in asymptomatic women that are provided by a facility that is not accredited, certified, or licensed. No deductible can be imposed for coverage of mammograms.

**Background:** Breast cancer is the most common cancer among women in the United States, other than skin cancer, and is the second leading cause of cancer death in women. The chance of a woman having invasive breast cancer some time during her life is approximately one in eight. In 2003, the most recent year for which data is available, a total of 4,058 cases of breast cancer were diagnosed among Maryland women and 820 Maryland women died of breast cancer. Nationally, mortality from breast cancer is declining in recent years, most likely due to enhanced early detection and improved treatment.

As of March 2008, American Cancer Society guidelines for the early detection of breast cancer include the following recommendations:

- Yearly mammograms are recommended starting at age 40 and continuing for as long as a woman is in good health.
- Clinical breast exam should be part of a periodic health exam, about every three years for women in their twenties and thirties and annually for women age 40 and older.
- Women should know how their breasts normally feel and report any breast change promptly to their health care providers, with breast self-exam an option for women starting in their twenties.
- Women at high risk (greater than 20% lifetime risk) should get an MRI and a mammogram annually.
- Women at moderately increased risk (15% to 20% lifetime risk) should talk with their doctors about the benefits and limitations of adding MRI screening to their yearly mammogram.

Every four years, the Maryland Health Care Commission (MHCC) examines the fiscal impact of mandated health insurance benefits. In January 2008, MHCC found that these benefits account for 15.4% of total premium costs for group health insurance and 18.6% of total premium costs for individual policies. The full cost of current mandated

coverage for mammograms is reported at 0.3% of premium costs for group policies and 0.4% of premium costs for individual policies. Almost all self-funded health benefit plans voluntarily provide coverage for mammograms.

**State Fiscal Effect:** The bill results in a minimal fiscal 2010 special fund revenue increase for MIA from the \$125 rate and form filing fee. Additional resources may be required to review forms and ensure compliance with the mandate, depending on the volume of forms received for review. To the extent additional resources are needed, special fund expenditures increase minimally in fiscal 2010.

The Department of Budget and Management reports that the bill does not have any effect on the State plan as the guidelines set by the American Cancer Society are currently followed by the plan on a voluntary basis.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** *Study of Mandated Health Insurance Services: A Comparative Evaluation*, Maryland Health Care Commission, January 1, 2008; American Cancer Society; Maryland Cancer Registry; CareFirst Blue Cross Blue Shield; Department of Budget and Management; Department of Health and Mental Hygiene; Maryland Insurance Administration; Department of Legislative Services

**Fiscal Note History:** First Reader - February 17, 2009  
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