Department of Legislative Services

Maryland General Assembly
2017 Session

FISCAL AND POLICY NOTE
Third Reader

Senate Bill 61 (Senator Mathias, *et al.*)

Finance Health and Government Operations

Health Insurance - Coverage for Digital Tomosynthesis

This emergency bill expands the health insurance mandate for coverage of breast cancer screenings to include coverage for "digital tomosynthesis" that the treating physician determines is medically appropriate and necessary. A carrier may not impose a copayment or coinsurance requirement for digital tomosynthesis that is greater than one for other breast cancer screenings for which coverage is required. "Digital tomosynthesis" means a radiologic procedure that involves the acquisition of projection images over the stationary breast to produce cross-sectional digital three-dimensional images.

The bill applies to all policies, contracts, and health benefit plans issued, delivered, or renewed in the State on or after January 1, 2018.

Fiscal Summary

State Effect: Minimal increase in special fund revenues for the Maryland Insurance Administration (MIA) in FY 2018 from the $125 rate and form filing fee. Review of filings can likely be handled with existing MIA resources. Minimal increase in expenditures for the State Employee and Retiree Health and Welfare Benefits Program (State Plan) beginning in FY 2018, as all but one of the participating carriers currently provide such coverage.

Local Effect: Minimal increase in expenditures for those local governments that purchase fully insured health benefit plans that do not already include such coverage. No effect on revenues.

Small Business Effect: Minimal; however, health insurance expenditures may increase for small businesses that purchase fully insured health benefit plans that do not already include such coverage.

Analysis

Current Law: Under Maryland law, there are 49 mandated health insurance benefits that certain carriers must provide to their enrollees, including coverage for breast cancer screenings. A carrier must cover breast cancer screenings in accordance with the latest screening guidelines issued by the American Cancer Society. A deductible may not be imposed. A carrier is not required to cover breast cancer screenings used to identify breast cancer in asymptomatic women that are provided by a facility that is not accredited by the American College of Radiology or certified or licensed in Maryland.

The federal Patient Protection and Affordable Care Act requires nongrandfathered health plans to cover 10 essential health benefits, including preventive and wellness services and chronic disease management. Coverage of mammograms for breast cancer screening, without a copayment or deductible, is mandated as a preventive service.

Background: Digital tomosynthesis was approved by the U.S. Food and Drug Administration (FDA) in 2011 to be used in combination with standard digital mammography. In tomosynthesis, a machine takes low-dose X-rays as it moves over the breast. These images can be combined into a three-dimensional picture, which may allow a radiologist to see inside the breast more clearly. Total radiation is about twice that of standard digital mammography, but the dose remains below the limits defined by FDA.

According to the American College of Radiology, digital tomosynthesis has been shown to be an advance over standard digital mammography, with higher cancer detection rates and fewer patient recalls for additional testing. In a multicenter study published in the *Journal of the American Medical Association* in 2014, researchers found that digital mammograms with tomosynthesis were associated with an increase in the cancer detection rate (1 additional cancer detected for every 1,000 scans) and a 15% decrease in patient recall rates. The study did not have a randomized design, nor did it assess clinical outcomes.

In its February 2016 final recommendations on breast cancer screening, the U.S. Preventive Services Task Force (USPSTF) found inadequate evidence on the benefits and harms of digital breast tomosynthesis (DBT) as a primary screening method for breast cancer. Similarly, USPSTF found inadequate evidence on the benefits and harms of adjunctive screening for breast cancer using breast ultrasonography, magnetic resonance imaging, DBT, or other methods in women identified to have dense breasts on an otherwise negative screening mammogram. In both cases, while there is some information about the accuracy of these methods, USPSTF concluded that there is no information on the effects of their use on health outcomes, such as breast cancer incidence, mortality, or overdiagnosis rates.

Three states (Connecticut, Illinois, and Pennsylvania) require coverage of digital tomosynthesis. Pennsylvania requires coverage to be provided at no cost in the same manner as traditional mammography. Medicare has provided coverage of digital tomosynthesis since January 2015.

A December 2016 report prepared by NovaRest, Inc. for the Maryland Health Care Commission evaluated the potential impact of mandating coverage of digital tomosynthesis in Maryland. The report noted that, based on survey responses from carriers, a minimum of 76% of individuals covered under a fully insured health benefit plan in Maryland had coverage for digital tomosynthesis. NovaRest concluded that the mandate would not have a material impact on the total cost of health care in Maryland, but that utilization of digital tomosynthesis would increase. NovaRest estimated that the percentage impact of the mandate on health insurance premiums would range from 0.10% to 0.18% on a gross basis and from 0.02% to 0.19% on a marginal basis, depending on (1) the actual additional cost per service (digital tomosynthesis costs $60 to $100 more than digital mammography) and (2) the percentage of mammograms performed using digital tomosynthesis (between 40% and 100%). These estimates do not reflect any potential cost savings.

State Fiscal Effect: The Department of Budget and Management advises that the State Plan is largely self-insured for its medical contracts and, as such, would generally not be subject to this mandate. The two self-insured medical plans not subject to this mandate already provide coverage as required under the bill. The one fully insured integrated health model medical plan in the State Plan that would be subject to this mandate does not currently provide this coverage. However, as this medical plan has a small number of State Plan participants (2,400) and the impact on premiums is expected to be small, the Department of Legislative Services estimates that any additional cost to the State Plan is likely minimal.

Small Business Effect: Per MIA, the bill appears to apply to any nongrandfathered health benefit plan purchased by a small employer.

Additional Comments: According to CareFirst BlueCross BlueShield, as of May 2015, all CareFirst contracts cover digital tomosynthesis with no member cost-sharing obligations. CareFirst reports that the cost of covering digital tomosynthesis has been negligible (approximately $0.66 per member per month).

Additional Information

Prior Introductions: SB 648 of 2016 received a hearing in the Senate Finance Committee, but no further action was taken. Its cross file, House Bill 1006, was heard by the House Health and Government Operations Committee but was later withdrawn.

Cross File: HB 675 (Delegate Sample-Hughes, *et al.*) – Health and Government Operations).

Information Source(s): *Annual Mandate Report: Coverage for Digital Tomosynthesis*, NovaRest Actuarial Consulting, December 15, 2016; CareFirst BlueCross BlueShield; Department of Budget and Management; Department of Health and Mental Hygiene; Maryland Health Benefit Exchange; Maryland Insurance Administration; Department of Legislative Services

Fiscal Note History: First Reader - January 23, 2017
md/ljm Third Reader - March 21, 2017

Analysis by: Jennifer B. Chasse

Direct Inquiries to:
(410) 946-5510
(301) 970-5510