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March 6, 2025

The Honorable Joseline Pena-Melnyk
Chair, House Health and Government Operations Committee
Room 241
House Office Building
Annapolis, MD 21401

House Bill 1187 – Health Insurance – Scalp Cooling Systems – Required Coverage

Dear Chair Pena-Melnyk,

The League of Life and Health Insurers of Maryland, Inc. respectfully **opposes** *House Bill 1187– Health Insurance – Scalp Cooling Systems – Required Coverage* and urges the committee to give the bill an unfavorable report.

This bill would require carriers to provide coverage for scalp cooling systems used for the preservation of hair in connection with chemotherapy treatment. This is a new mandate, and because we have not been able to understand the premium impact of this legislation, we suggest sending to the Maryland Health Care Commission for actuarial analysis. We are also opposed as the coverage falls outside of the definition of medical necessity, as well as scalp cooling is not recommended, according to the American Cancer Society, for everyone, especially for patients with certain cancers, liver problems, or cold allergies.

Traditionally, under the ACA, each state must pay for every health plan purchased through the Maryland Health Benefit Exchange, the additional premium associated with any state-mandated benefit beyond the federally mandated essential health benefits. This means, should the Commissioner include the mandate in the State benchmark plan, the State would be required to defray the cost of the benefits to the extent it applies to the individual and small group market ACA plans.

The League opposes any additional mandated benefits to Maryland's law. While this bill is not a traditional mandate piece of legislation, because there is only one medication approved by the FDA, in essence it creates a coverage mandate for the only drug in its class. Mandated benefits add cost to health insurance policies in our state and limit the ability of insurers to design benefits to best meet the needs of enrollees. Given the potential impact to health insurance costs in the State, Maryland law includes a statutory framework for review and evaluation of proposed mandated benefits by the Maryland Health Care Commission under § 15-1501 of the Insurance Article. The law requires the assessment of a proposed mandate for the social, medical and financial impact of the proposed mandate and equips the General Assembly with such information as the extent to which the service is generally utilized by a significant

portion of the population; the extent to which the insurance coverage is already generally available; if coverage is not generally available, the extent to which the lack of coverage results in individuals avoiding necessary health care treatments; if coverage is not generally available, the extent to which the lack of coverage results in unreasonable financial hardship; and the level of public demand for the service. Before adopting this or any other mandated health benefit, we urge the Committee first request an evaluation of the proposed benefit to facilitate an informed decision.

For these reasons, the League urges the committee to give House Bill 1187 an unfavorable report.

Very truly yours,

A handwritten signature in black ink, appearing to read "Matthew Celentano", with a long horizontal line extending to the right.

Matthew Celentano
Executive Director

cc: Members, House Health and Government Operations Committee