



January 9, 2026

The Honorable Heather Bagnell,  
Chair  
House Health Committee  
240 Taylor House Office Building  
Annapolis, MD 21401

**Re: House Bill (HB) 1187- Health Insurance- Scalp Cooling Systems-Required Coverage**

Dear Chair Bagnell:

The Maryland Health Care Commission (MHCC) is submitting this mandate study on ***HB 1187 - Health Insurance - Scalp Cooling Systems - Required Coverage*** in accordance with Insurance Article §15–1501, Annotated Code of Maryland, that requires the MHCC to assess the medical, social, and financial impact of proposed mandated health insurance bills that did not pass in the preceding legislative session. HB 1187 was introduced this past session and did not pass. HB 1187 would have required health insurers, nonprofit health service plans, and health maintenance organizations that provide coverage for chemotherapy to treat cancer to provide coverage for scalp cooling systems used for the preservation of hair in connection with chemotherapy treatment.

The report provides detailed information on the medical, social, and financial impact of HB 1187. Here are a few key points from the report:

Medical Impact:

- Scalp cooling works by lowering scalp temperature to reduce blood flow — and thus the delivery of chemotherapy agents—to hair follicles to prevent chemotherapy-induced hair loss, also known as chemotherapy induced alopecia (CIA).
- Automated scalp cooling, as the only FDA-approved type of scalp cooling, is approved for chemotherapy-induced hair loss related to solid tumor cancers, not blood cancers.
- Several studies conducted between 2017-2024 show that scalp cooling has 40-80% effectiveness at reducing or eliminating hair loss from chemotherapy.

- A 2021 survey of 600 oncology providers found that while the majority (62%) were generally supportive of scalp cooling, many oncologists expressed reservations about recommending it to patients. The most frequently cited reason was financial concerns (58%).
- Although the exact percentage of chemotherapy treatment locations offering automated scalp cooling remains uncertain, available information suggests that approximately 40–60% may currently provide access to this therapy. In addition, responses from the carrier survey of Maryland insurers indicated that carriers do not face challenges contracting with oncologists to ensure adequate availability of oncology services for their members.

Social Impact:

- CIA is one of the most feared side effects of chemotherapy treatment, particularly for women. Although this issue has not been examined in recent years, studies conducted between 2014 and 2019 suggest that up to 8–10% of women may consider refusing chemotherapy or opting for a less effective treatment regimen to avoid CIA.
- Information gathered by L&E suggests that most utilizers of scalp cooling are female, and about half of female chemotherapy patients elect to utilize scalp cooling. These findings are further supported by evidence that breast cancer patients—who are primarily women—represent the largest group utilizing scalp cooling.
- The responses from the L&E carrier survey to Maryland insurers conveyed that insurers do not currently cover scalp cooling treatment, including for self-funded employer groups. One insurer explained that coverage is excluded on the basis that the treatment is not deemed medically necessary (i.e., cosmetic in nature).
- Medicare began covering scalp cooling in 2022 with a one-time benefit of up to \$1,850. If finalized, it would provide reimbursement of \$1,897 for 7 scalp cooling treatments cycles (approximately the average number of treatment cycles per patient).
- While scalp cooling is considered effective in reducing chemotherapy-induced alopecia it remains costly, typically ranging from \$1,000 to \$3,000 out-of-



pocket without insurance, limiting access particularly for underserved populations. To address this disparity, some nonprofit organizations provide financial support to help patients access the treatment and promote equity in care.

Financial Impact:

- It is estimated that the financial impact ranges from 0.00%-0.05% of premium. This report provides a detailed discussion of the data and assumptions underlying that estimate.
- New York is the first state to mandate commercial insurance coverage for scalp cooling, with the requirement taking effect in January 2026 for the large group market. The report is unable to identify any publicly available fiscal impact analysis prepared by New York in connection with this mandate.
- Further, our actuarial consultant assumed a total average loss ratio of 85% based on information provided by Maryland insurers surveyed. L&E does not expect the introduction of coverage for scalp cooling treatment to have any material impact on retention (i.e., non-claims costs). Therefore, the projected 2026 premium PMPM is \$951.31.

We appreciate your consideration. If you have any questions, please do not hesitate to contact me at [douglas.jacobs@maryland.gov](mailto:douglas.jacobs@maryland.gov) or Ms. Tracey DeShields, Director of Policy Development and External Affairs at [tracey.deshields2@maryland.gov](mailto:tracey.deshields2@maryland.gov).

Sincerely,



Douglas Jacobs, MD, MPH  
Executive Director

cc:

The Honorable Joseline Pena-Melnyk, Speaker, House of Delegates

The Honorable Pamela Beidle, Chair, Senate Finance

The Honorable Latoya Nkongolo, Delegate, House of Delegates

Senate Finance Committee Members

Health Committee Members

The Honorable Meena Seshamani, Secretary, Maryland Department of Health (MDH)



Perrie Briskin, Deputy Secretary, Maryland Medicaid Administration, MDH  
Michael Huber, Deputy Chief of Staff, Governor's Office (on behalf of Governor Moore)  
Hannah Dier, Deputy Legislative Office, Governor's Legislative Office  
Jason Heo, Governor's Office  
Vijay Ramasamy, Senior Policy Advisor, Governor's Office  
Sarah Albert, Department of Legislative Services (5 hard copies)  
Lisa Simpson, Committee Counsel, House Health and Government Operations,  
Nathan McCurdy, Committee Counsel, Senate Finance  
Kenneth Yeates-Trotman, Director, Center for Analysis and Information Systems, MHCC  
Jason Caplan, Chief of Special Projects, Center for Analysis and Information Systems,  
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