



LATE

March 20, 2009

Committee on Health
Representative Ryan Yamane, Chair
Representative Scott Nishimoto, Vice Chair

Hearing:

9:00 A.M., Friday, March 20, 2009
Hawaii State Capitol, Room 329

RE: SB166, SD1, Relating to Insurance

Testimony in Strong Support

Chair Yamane, Vice Chair Nishimoto, and members of the Committee on Health. My name is George Massengale and I am here on behalf of the American Cancer Society Hawaii Pacific Inc. Thank you for the opportunity to testify in strong support of SB166, SD1, which would require insurance to provide parity of coverage for oral and intravenous chemotherapy.

The American Cancer Society Hawaii Pacific Inc., was founded in 1948, and is a community-based, voluntary health organization dedicated to eliminating cancer as a major health problem by preventing cancer, saving lives, and diminishing suffering from cancer, through research, education, advocacy, and service. This mission is consistent with the Society's ambitious 2015 goals of slashing the cancer mortality rate by 50%, reducing the incidence of cancer by 25%, and improving the quality of life of cancer patients and survivors by reducing the pain and suffering that cancer causes.

Chemotherapy is the use of medicines or drugs to treat disease. Many times this treatment is called just "chemo." **Surgery and radiation therapy remove, kill, or damage cancer cells in a certain area,** but chemo works throughout the whole body. **Chemo can kill cancer cells that have metastasized or spread to parts of the body far away from the primary (original) tumor.**

There are more than 100 chemo drugs which are used in many combinations. A single chemo drug can be used to treat cancer. But for the most part, the drugs work better when used in certain combinations. Your chemo treatment will likely include more than one drug. This is called *combination chemotherapy*. A combination of drugs with different actions can work together to kill more cancer cells. It can also reduce the chance that the cancer may become resistant to any one chemo drug.

The primary advantage of oral chemotherapy is that it can be taken at home. People who are given chemotherapy by i.v. infusions often spend up to one week out of every month either in the hospital or traveling to and from the hospital to receive their treatment.

In closing, we would note that we believe that this is a good bill. It accomplishes several purposes. It provides cancer patients with additional chemotherapy options, and offers greater flexibility. It also

reduces the out-of-pocket expense associated with cancer treatment, these expenses can add thousands of dollars to the overall cost treatment. Finally, in Hawaii many of our residents must travel from neighbor islands to Honolulu for treatment and spend a night or two.

We believe that SB166, SD1, is a win win for everyone, the patient, our health care system, and the health insurance carrier.

Mahalo for the opportunity to provide testimony in strong support of this measure.

Very truly yours,

A handwritten signature in black ink, appearing to read "G. Massengale", written in a cursive style.

George S. Massengale, JD
Director of Government Relations

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Hawai'i Primary Care Association

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To: **The House Committee on Health**
The Hon. Ryan I. Yamane, Chair
The Hon. Scott Y. Nishimoto, Vice Chair

Testimony in Support of Senate Bill 166, SD 1
Relating to Insurance
Submitted by Beth Giesting, CEO
March 20, 2009, 9:00 a.m. agenda, Room 329

The Hawaii Primary Care Association urges your support for this bill. Chemotherapy is an essential service that should be covered by health insurance. There should be no distinction among forms of administration of the therapeutic agent in terms of coverage.

Thank you for the opportunity to present our comments.

Representative Ryan Yamane, Chair
and Members of the Committee on Health
March 20, 2009
9:00 AM
Room 329

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Testimony of Representative Marilyn Lee in favor of SB166, SD1.

I speak in favor of the measure, which requires insurers to cover orally administered chemotherapy under the same terms and conditions as IV chemotherapy.

Concerns about the cost must include the following:

1. There are savings for Neighbor Island residents and those in rural areas on transportation. Coming to an oncology clinic for IV chemotherapy involves plane fare and/or bus or taxi fare. There is also the consideration of an overnight hotel stay. The patient can take oral therapy at home.
2. IV tubings and solutions are a huge part of the expense of therapy. These are not needed with oral therapy.
3. No nurse or doctor is needed to insert a port or start an IV for oral chemotherapy. This is a huge cost.
4. No nurse is needed to monitor the patient on IV chemotherapy for several hours.
5. The bottom line is oral chemotherapy is effective for some cancers and is much more comfortable for the patient.

I urge the Committee's support of this bill.

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MCCORRISTON MILLER MUKAI MACKINNON LLP

ATTORNEYS AT LAW

March 18, 2009

Honorable Ryan I. Yamane, Chair
Honorable Scott Y. Nishimoto, Vice Chair
Committee on Health
House of Representatives
State Capitol
415 South King Street
Honolulu, Hawaii 96813

Re: S.B. No. 166, S.D. 1, RELATING TO INSURANCE

Dear Chair Yamane, Vice Chair Nishimoto, and Committee Members:

On behalf of the American Family Life Assurance Company of Columbus (AFLAC), we respectfully submit the following written testimony with respect to Senate Bill No. 166, Senate Draft 1, relating to insurance which is to be heard by your Committee on Health on March 20, 2009.

S.B. No. 166, S.D. 1, is intended to require health insurance providers to provide health insurance coverage for all chemotherapy treatment, including orally administered chemotherapy, under the same terms and conditions and at a rate calculated according to the same methods as payment or reimbursement for intravenously administered chemotherapy. However, there are certain types of supplementary health insurance for which such mandated parity of benefits would not be appropriate. For example, AFLAC offers a variety of supplementary health insurance policies, including a cancer benefit policy. However, these policies are not intended to pay the entire costs of treatment, but, rather to assist with the costs related to receiving these treatments, and benefits for oral and intravenous treatments are not identical.

While it may be appropriate to require parity of benefits for an insured's primary health insurance policy, which is intended to fully pay or reimburse the insured for the costs of the treatment, such parity is not necessarily appropriate for supplemental policies. Rather, such supplemental policies are intended only to supplement the primary policy by covering certain related costs and, therefore, mandating parity of benefits would be forcing consumers to purchase additional coverage which they may not desire.

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For the foregoing reasons, we support the amendment of Section 1 of S.B. No. 166, S.D. 1, to delete from its coverage "limited benefit insurance" by adding the following, which is based upon the language currently contained in Hawaii Revised Statutes section 431:10A-121:

"§431:10A- Chemotherapy services. (a) Notwithstanding section 23-51, all individual and group accident and health or sickness policies that include coverage or benefits for the treatment of cancer, other than an accident-only, specified disease, hospital indemnity, medicare supplement, long-term care, or other limited benefit health insurance policy, shall provide payment or reimbursement for all chemotherapy, including orally administered chemotherapy, under the same terms and conditions and at a rate calculated according to the same methods as payment or reimbursement for intravenously administered chemotherapy."

(Additional language underscored.)

The proposed exception is based upon similar exceptions in mandated coverage for limited benefit health insurance policies. *See, e.g.*, HRS § 431:10A-121 ("Each policy of accident and health or sickness insurance providing coverage for health care, other than an accident-only, specified disease, hospital indemnity, medicare supplement, long-term care, or other limited benefit health insurance policy, that is issued or renewed in this State, shall provide coverage for outpatient diabetes self-management training, education, equipment, and supplies . . .").

Thank you for your consideration of the foregoing.

Very truly yours,

McCORRISTON MILLER MUKAI MACKINNON LLP



Peter J. Hamasaki