SB 430

HMSA

Blue Cross Blue Shield of Hawaii

An Independent Licensee of the Blue Cross and Blue Shield Association

February 23, 2009

The Honorable David Ige, Chair
The Honorable Rosalyn Baker, Chair
Senate Committees on Health and Commerce and Consumer Protection

Re: SB 430 – Relating to Health Insurance

Dear Chair Ige, Chair Baker and Members of the Committees:

The Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify on SB 430.

HMSA recognizes the importance of our members receiving appropriate screenings in order to detect illnesses in their early and treatable stages. At this time HMSA's HMO and PPO plans both provide coverage for colon cancer screenings according to the U.S. Preventive Services Task Force guidelines.

In addition, we believe that prior to passing any new legislation which would require health plans to provide benefits not currently covered in their plan offerings, the Legislature should request an Auditor's study as required under Hawaii Revised Statutes 23-51 and 23-52 as outlined in SCR 26. This study will provide decision-makers with objective information prior to including these new benefits. With health care costs continuing to escalate it is important to consider the impact that requiring such benefits will have on the cost of health care, especially for local employers who typically bear the brunt of such cost increases.

For the reasons mentioned above, we would respectfully urge the Committees to hold SB 430. Thank you for the opportunity to provide testimony today.

Sincerely,

Jennifer Diesman
Assistant Vice President
Government Relations

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Testimony of
Phyllis Dendle
Director of Government Affairs

Before:
Senate Committee on Health
The Honorable David Y. Ige, Chair
The Honorable Josh Green M.D., Vice Chair

Senate Committee on Commerce and Consumer Protection
The Honorable Rosalyn H. Baker, Chair
The Honorable David Y. Ige, Vice Chair

February 23, 2009
3:00 pm
Conference Room 016

Re: SB 430 RELATING TO HEALTH INSURANCE

Chairs Ige and Baker, and committee members, thank you for this opportunity to provide testimony on this bill regarding colorectal cancer screening.

Kaiser Permanente opposes this bill respectfully requests that a study by the Legislative Auditor be done before further action is taken on this proposal.

Kaiser Permanente encourages individuals over the age of 50 to get screened for colorectal cancer using a method that is appropriate to their risk factors. We do not however, support mandating coverage for screening colonoscopies for individuals who are at average risk for colon cancer.

According to Robert Decker M.D. the chief of gastroenterology at Kaiser Permanente Hawaii we currently provide screening colonoscopy for high-risk individuals at no cost (or in some cases the co-pay of an office visit $14). For average risk patients Fecal Occult Blood Test (FOBT) and flexible sigmoidoscopy is provided at no cost and a colonoscopy is provided at no cost if these tests are positive. The definition of high-risk that we use is evidence based. For example: the risk of colon cancer in an individual with one first degree relative (father, mother, sibling, or child) with colon cancer after the age

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of 60 is no different than the general population.

We are currently doing close to the maximum number of colonoscopies we can do with current staffing. To provide universal access to screening colonoscopies as proposed would require at least 2 additional gastroenterologists. Each gastroenterologist, taking into account salary, benefits, malpractice, a nurse, a technician, a medical assistant, and equipment, costs about $1,000,000 a year.

Even if funded we would still have a problem because of the shortage of gastroenterologists. It took us 2 years to recruit the last hire. There is a nationwide shortage and it is even more severe in Hawaii. Outside of Kaiser, with not providing average risk screening, the average wait time is approximately 3 months. This is for high risk (blood positive stools, family history, symptomatic patients, etc). To increase the burden by mandating average risk screening could potentially lengthen the time that a high-risk patient goes without an exam.

The risk of injury or adverse event during a colonoscopy is approximately 30 times that of a flexible sigmoidoscopy. The published rate of injury for colonoscopy is about 1/1,000 exams, whereas a flexible sigmoidoscopy is 1/30,000. Nobody to date has published a study showing that colonoscopy, as a screening exam, is superior in terms of net outcomes. It is intuitively logical that a more complete exam will find more lesions, but at what cost in terms of money, delaying wait times for high risk individuals, and injuries due to colonoscopy and sedation?

Mandating screening colonoscopies could have negative outcomes if there is a shift from hemoculls and sigmoidoscopy to colonoscopy. It could result in a more thorough evaluation for far fewer patients. With the same resources we can screen 4 patients with a sigmoidoscopy or 1 patient with a colonoscopy.

We think these are some of the issues that need to be considered prior to passing this mandate. We urge the committee to hold this bill and request that the legislative auditor do a study as required by Sections 23-51 and 23-52 of the Hawaii Revised Statutes. The guidelines proposed by this bill are not the only standards used by health care providers in the United States. We ask that other guidelines also be reviewed by the auditor as a comparison to what is being proposed here.

Thank you for your consideration.

From: Bryan Smith [bryansmith@hawaiiantel.net]
Sent: Friday, February 20, 2009 1:02 PM
To: HTHTestimony
Subject: SB 430, Hearing date 2/23/09, 3:00 p.m.

Categories: Green Category, Blue Category

Senate Bill 430 Relating to Health Insurance

Hearing Date: 2/23/09, 3:00 p.m.

Chair, Committee on Health

Sen. David Ige

Chair, Committee on Commerce and Consumer Protection

Sen. Rosalyn Baker

My name is Bryan Smith, M.D., and I am in support of Senate Bill 430 requiring policies of insurance to provide coverage for colorectal cancer screening by colonoscopy. I request that the bill be clarified to include anesthesia services for the colonoscopy procedure.

I am an anesthesiologist and am aware that the colonoscopy procedure is physically unendurable for most patients without anesthesia.
Patients forego the colonoscopy procedure as certain insurance providers do not provide coverage for anesthesia for colonoscopies.
However, many patients are not aware that their provider will not cover anesthesia for the procedure until the patient is prepped and on the table. At this point the decision to proceed becomes a financial one for either the patient or the physician.

The patient can agree to pay the anesthesia expense out of pocket or refuse anesthesia. The timing of the anesthesiologist's involvement in the colonoscopy procedure makes this conversation uncomfortable at a minimum as it usually occurs while the patient is already disrobed and prepped for the colonoscopy.

However, if the anesthesiologist foregoes this discussion and the claim is denied there is little right the physician has to recover expenses for the anesthesia provided.

Colonoscopies are recommended standard procedures to screen for colorectal cancer. If the procedure, and associated anesthesia care, is not covered by insurance carriers patients do not undergo the testing. This places the patient at risk for the progression of undiagnosed colorectal cancer ultimately leading to more extensive and costly treatment and risk.

Bryan Smith, M.D.

3906 Niele Place, Honolulu, Hawaii 96816

From: Curt Carson [curtcarson@gmail.com]
Sent: Sunday, February 22, 2009 9:43 PM
To: HTHTestimony
Subject: SB 430, Hearing date 2/23/09, 3:00 p.m. Colonoscopy and anesthesia

Senate Bill 430 Relating to Health Insurance

Hearing Date: 2/23/09, 3:00 p.m.

Chair, Committee on Health

Sen. David Ige

Chair, Committee on Commerce and Consumer Protection

Sen. Rosalyn Baker

Dear Sirs,

My name is Curt Carson, M.D., and I support of Senate Bill 430 which requires insurance companies to provide coverage for colorectal cancer screening by colonoscopy. I request that the bill be amended to include anesthesia services for the colonoscopy procedure.

I am an anesthesiologist and am aware that the colonoscopy procedure is physically unendurable for most patients without anesthesia. Patients forego the colonoscopy procedure as some of our insurance providers do not provide coverage for anesthesia for colonoscopies. However, many patients are not aware that their provider will not cover anesthesia for the procedure until the patient is prepped and on the table. At this point the decision to proceed becomes a financial one for either the patient or the physician.

The patient can agree to pay the anesthesia expense out of pocket or refuse anesthesia. The timing of the anesthesiologist's involvement in the colonoscopy procedure makes this conversation uncomfortable at a minimum, and is potentially unethical as it usually occurs while the patient is already disrobed and prepped for the colonoscopy (ie under duress).

However, if the anesthesiologist foregoes this discussion and the claim is denied there is little right the physician has to recover expenses for the anesthesia provided. The largest insurer in the state is notorious for denying claims erratically and it is impossible to know who will be denied. Similarly, it is impossible to predict who will need to be asleep for the procedure, and who will tolerate it awake. Frequently, young, healthy patients are the most difficult people to sedate, and these are exactly the people who are frequently denied coverage. Notably, these same patients have the lowest net return for their insurance dollar.

Colonoscopies are recommended standard procedures to screen for colorectal cancer. If the procedure, and associated anesthesia care, is not covered by insurance carriers patients do not undergo the testing. This places the patient at risk for the progression of undiagnosed colorectal cancer ultimately leading to more extensive and costly treatment and risk.

Curt Carson, MD
419 Atkinson Dr #1206
Honolulu, HI 96814

February 21, 2009

Committee on Health
Senator David Ige, Chair
Senator Josh Green, MD, Vice Chair

Committee on Commerce and Consumer Protection
Senator Rosalyn Baker, Chair
Senator David Ige, Vice Chair

LATE

Hearing:
3:00 P.M., Monday, February 23, 2009
Hawaii State Capitol, Room 016

RE: SB430, Relating to Health Insurance

Testimony in Strong Support

Chairs Ige and Baker, and members of the Committee on Health and the Committee on Commerce and Consumer Protection. My name is George Massengale and I am the Director of Government Relations for the American Cancer Society Hawaii Pacific Inc. Thank you, once again, for the opportunity to testify here today in strong support of SB430, which mandates heath insurance coverage to screen for colorectal cancer by colonoscopy every 10 years, beginning at age 50.

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.

Colorectal cancer is the third most common cancer in the United States. 154,000 new cases were diagnosed in 2007. With almost 50,000 deaths a year, it is the second leading cause of cancer deaths among men and women. In Hawaii, over 700 of our residents will develop colon cancer and approximately 210 will die. **The real tragedy is that many of these cancer cases and deaths occur needlessly, as they could be prevented if more people took advantage of regular colorectal cancer screening.** When colorectal cancer is diagnosed at the earliest stage the five year survival rate is 90%. After the cancer spreads, the five year survival rate plunges to 10%. The pain and suffering due to cancer diagnosis can be completely prevented through the early identification and removal of pre-cancerous polyps, detectable only through colorectal cancer screenings. **It is imperative that barriers to screenings be eliminated!**

American Cancer Society Hawai'i Pacific, Inc., 2370 Nu'uanu Avenue, Honolulu, Hawaii 96817-1714
•Phone: (808) 595-7500 •Fax: (808) 595-7502 •24-Hour Cancer Info: (800) 227-2345 •http://www.cancer.org

The most recent figures show that 53.7% of Hawaii residents over the age of 50 report having a colorectal cancer screening exam (FOBT or Sigmoidoscopy/Colonscopy). While there are many reasons for low rates of colorectal cancer screening, insurance coverage is a contributing factor. Studies from across the nation have shown that limits on covered benefits impede an individual's ability to benefit from early detection of/or screening for cancer. Furthermore, primary care physicians often do not refer people for tests if they believe those tests are not covered benefits.

The most vivid evidence of this comes from comparing states that have passed laws requiring insurers to cover the full range of colorectal cancer screenings (between 1999 and 2008, twenty-five have passed such laws). Analysis by the American Cancer Society shows that colorectal cancer screening rates have risen faster and are significantly higher in states that have enacted colorectal cancer screening legislation. As more state pass colorectal cancer screening coverage laws, more Americans will surely benefit from these life saving exams.

The cost of treating colorectal cancer varies. When detected early the cost is between $30,000 and $35,000. If detected late the average cost is in excess of $100,000. The cost for providing colorectal cancer screening is extremely low when compared to the cost of treatment. **The per member per month cost of colonoscopy every 10 years is 55¢. The per member per month cost of a fecal occult blood test or flexible sigmoidoscopy performed annually is 66¢.**

Earlier this month we offered testimony to the House Health Committee on similar measure HB823. This bill would mandate insurance coverage not only for colonoscopy but also for colon cancer screening tests as outlined in the latest colorectal screening guidelines May 2008, which were developed collaboratively between the American Cancer Society, the American College of Radiology, and the U.S. Multi-Society Task Force on Colorectal Cancer (which includes the American College of Gastroenterology and the American College of Physicians).

The guidelines also emphasize **"options"** because:

- Individuals differ in their preferences for one test or another. It is a fact that not everyone will elect to have a colonoscopy.
- Colonoscopy access is uneven geographically in Hawaii, thus other tests are available.
- Primary care physicians differ in their ability to offer, explain, or refer patients to all options equally.
- The utilization of colonoscopy in Hawaii is still low, with only 53.7% of all adults reporting a FOBT/sigmoidoscopy or colonoscopy.
- Providing a wide range of tests will enhance screening rates.
- **Remember, "the best test is the one you get" than no test at all.**

We would ask that this committee amend the bill by inserting language that requires our health insurance carriers to cover all the tests and procedures outlined in the revised colorectal screening guidelines of May 2008.

In closing we note that the HB823 was deferred by the health committee because a State Auditor had not previously prepared an assessment as specified by HRS 23-51. We also note that SCR26 is on today's agenda and it requests that the State Auditor prepare the required report.

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

Very truly yours,

George S. Massengale, JD
Director of Government Relations