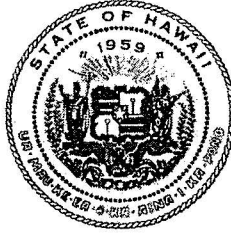


STATE OF HAWAII
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MARION M. HIGA
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**TESTIMONY OF MARION M. HIGA, STATE AUDITOR,
ON HOUSE BILL NO. 823, HD1, RELATING TO HEALTH INSURANCE**

House Committee on Consumer Protection & Commerce

February 8, 2010

Chair Herkes and Members of the Committee:

Thank you for this opportunity to testify in support of an amended House Bill No. 823, House Draft 1 (HB 823 HD 1). The purpose of the bill is to require health insurers to provide screening coverage for colorectal cancer using the full range of screening options, including colonoscopy every ten years, for all adults aged 50 and over, as recommended by the American Cancer Society (ACS) 2008 guidelines.

The 2009 Legislature asked that we assess the impacts of House Bill No. 823. In response, we recently issued Report No.10-02 recommending the enactment of an amended bill. We found that despite the availability of some screening coverage, mandatory insurance would be beneficial for a majority of Hawai'i's insured population of asymptomatic adults between the ages of 50 to 75, who are currently unable to select colonoscopy as a screening option. Insurance coverage can be expected to increase the use of screening colonoscopy but the cost of this increase should not bar the implementation of such coverage. However, the proposed standard of care should include only the procedures and tests supported by empirical evidence as recommended by the U.S. Preventive Services Task Force (USPSTF) in 2008.

There are differences in the ACS and USPSTF screening guidelines in the standard of care for procedures, tests used, and recommended testing intervals. For example, computed tomographic colonography and stool DNA are two newer procedures listed as acceptable screening options of

the ACS, but are not recommended by the USPSTF because there is insufficient evidence with which to assess their benefits and harms. For this reason, we could not assess the social impact of providing coverage to reduce the incidence of colorectal cancer or mortality because there is no consensus on the efficacy of these newer tests among preventive health care experts. The USPSTF found convincing evidence that colorectal cancer screening is effective in reducing mortality in adults, beginning at age 50 and continuing until age 75, using three regimens, instead of the full range of screening options recommended by the ACS. I have attached to this testimony the draft bill which amends the standard of care in House Bill No. 823 to include the procedures and tests recommended by the USPSTF 2008 guideline.

I respectfully request that HB 823 HD 1, be amended to implement the recommendations in our report. I would be pleased to answer any questions you may have.

A BILL FOR AN ACT

RELATING TO HEALTH INSURANCE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Chapter 431, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§431:10A- Colon cancer screening coverage. (a) Each
5 policy of accident and health or sickness insurance providing
6 coverage for health care, except for policies that only provide
7 coverage for specified diseases or other limited benefit
8 coverage, shall provide coverage for colorectal cancer screening
9 by any of the methods specified by the 2008 recommendation
10 statement prepared by the U.S. Preventive Services Task Force,
11 which include the following: colonoscopy, flexible
12 sigmoidoscopy, fecal occult blood test, and fecal immunochemical
13 test.

14 (b) Beginning March 1, 2011, a health care coverage
15 provider shall include information in the policy about the risk
16 associated with undiagnosed colorectal cancer and encouraging
17 the insured to consult with the insured's physician about
18 available screening options. For the purposes of section 432D-



H.B. NO.

1 23, the requirement under this subsection shall be considered
2 one of the benefits of coverage."

3 SECTION 2. Chapter 432, Hawaii Revised Statutes, is
4 amended by adding a new section to article 1 to be appropriately
5 designated and to read as follows:

6 "§432:1- Colon cancer screening coverage. (a) All
7 individual and group hospital and medical service contracts
8 providing health care coverage shall provide coverage for
9 colorectal cancer screening by any of the methods specified by
10 the 2008 recommendation statement, including colonoscopy every
11 ten years for adults between the ages of fifty and seventy-five.

12 (b) Beginning March 1, 2011, all health insurance
13 providers in Hawaii shall inform their insured of the risk
14 associated with undiagnosed colorectal cancer and encourage the
15 insured to consult with the insured's physician about available
16 screening options."

17 SECTION 3. Section 432D-23, Hawaii Revised Statutes, is
18 amended to read as follows:

19 "§432D-23 Required provisions and benefits.

20 Notwithstanding any provision of law to the contrary, each
21 policy, contract, plan, or agreement issued in the State after
22 January 1, 1995, by health maintenance organizations pursuant to



H.B. NO.

1 this chapter, shall include benefits provided in sections
2 431:10-212, 431:10A-115, 431:10A-115.5, 431:10A-116, 431:10A-
3 116.5, 431:10A-116.6, 431:10A-119, 431:10A-120, 431:10A-121,
4 431:10A-125, [~~and~~] 431:10A-126, and 431:10A-_____, and chapter
5 431M."

6 SECTION 4. Statutory material to be repealed is bracketed
7 and stricken. New statutory material is underscored.

8 SECTION 5. This Act shall take effect upon its approval
9 and shall apply to policies, contracts, and plans of health
10 insurance issued or renewed after January 1, 2011.

11

INTRODUCED BY: _____



H.B. NO.

Report Title:

Mandatory Health Insurance Coverage; Colonoscopy

Description:

Mandates health insurance coverage for colorectal cancer screening and that the insurer provide the insured with information about the risks of undiagnosed colorectal cancer and encourage the insured to consult with their physician about screening options. Applies to policies issued or renewed after 1/1/11.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.





LINDA LINGLE
GOVERNOR

JAMES R. AIONA, JR.
LT. GOVERNOR

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RONALD BOYER
DEPUTY DIRECTOR

TO THE HOUSE COMMITTEE ON CONSUMER PROTECTION AND COMMERCE

TWENTY-FIFTH LEGISLATURE
Regular Session of 2010

Monday, February 8, 2010
2:00 p.m.

TESTIMONY ON HOUSE BILL NO. 823, HD1- RELATING TO HEALTH INSURANCE.

TO THE HONORABLE ROBERT N. HERKES, CHAIR, AND MEMBERS OF THE
COMMITTEE:

My name is J.P. Schmidt, State Insurance Commissioner, testifying on behalf of the Department of Commerce and Consumer Affairs ("Department"). The Department takes no position on this bill.

The purpose of this bill is to mandate coverage for colorectal cancer screening. We do not have medical expertise on our staff and cannot evaluate the merits of this screening.

Any mandated benefit helps some people, but also imposes increased cost burdens on the employers and individuals that pay the premiums.

Finally, we note that mandated benefits are required by law to undergo a review by the Legislative Auditor.

We thank this Committee for the opportunity to present testimony on this matter.

Testimony of
Phyllis Dendle
Director Government Relations

Before:
House Committee on Consumer Protection and Commerce
The Honorable Robert N. Herkes, Chair
The Honorable Glenn Wakai, Vice Chair

February 8, 2010
2:00 pm
Conference Room 325

HB 823 HD1 RELATING TO HEALTH INSURANCE

Chair Herkes and committee members, thank you for this opportunity to provide testimony on HB 823 HD1 mandating health insurance coverage for colorectal cancer screening.

Kaiser Permanente Hawaii supports the intent of this bill and offers amendments.

Last week the Legislative Auditor issued a Study of Proposed Mandatory Health Insurance Coverage for Colorectal Cancer Screening. The recommendation in this study was to amend this bill to include only the procedures and tests recommended by the U.S. Preventative Service Task Force (USPSTF) in 2008 for adults at ages 50-75. We support this recommendation but would suggest that instead of limiting the benefits to what is recommended in 2008 that we instead base the benefits required on the recommendations which USPSTF grades an A or B.

The USPSTF is an independent panel of private sector prevention and primary care experts sponsored by the Agency for Healthcare Research and Quality (AHRQ) within the US Department of Health and Human Services. Their recommendations for clinical preventative services are widely used and respected throughout the nation. Kaiser Permanente uses these guidelines as the basis for all of the preventative services offered to our members. The USPSTF

considers the performance of preventative tests and grades their recommendations based on the net benefit the test will provide. Tests rated A have a high certainty of benefit and B have at least a moderate certainty of benefit. At this time FOBT, Flexible Sigmoidoscopy, and colonoscopy have an A grade. There are currently no tests graded B. There are two other tests that are not recommended at this time which are the computerized tomography colonography (CTC) and fecal DNA testing. The USPSTF has determined that there is insufficient evidence of the benefits and harms of these tests at this time to recommend them.

The value of basing the benefits in the Hawaii law on the USPSTF tests graded A or B is that as new tests and procedures are determined to be effective they would be covered without the need to change the law. This proposal is based on the Colorado law mandating colorectal cancer screening. Colorado is one of the states to be given an A in the Colorectal Cancer Legislation Report Card for 2009. The report card is put together annually by 12 organizations committed to reducing colon cancer deaths by increasing proper screening. The members include the American Cancer Society and four organizations representing physician specialists. To receive an A the law must include FOBT, flexible sigmoidoscopy and colonoscopy as screenings available to people over age 50 and the law must allow for the coverage of future advances in screening methods.

The fundamental difference between what is in the HD 1 and what is being proposed here is that at this time virtual CT colonoscopy and DNA testing would not be covered. In the future, with sufficient evidence they could be recommended by USPSTF and would be covered.

In addition we recommend changing the requirement for informing policy holder of the need for colon cancer screening. We suggest changing the language to require health plans to provide this information to members but permitting them to choose how to do it. Health plans frequently publish information for their members in ways such as magazines that are more likely to be read than the policy. This would require changing the language in section 1 (b) to match the language in section 2 (b).

Attached are these proposed amendments. The parts to be deleted are stricken and the proposed additions are in capital letters.

I'd also like to acknowledge the consistently excellent work of the Legislative Auditor and her staff. Their reports regarding health care are always thorough and thoughtful. Thank you for your consideration.

"§431:10A- Colon cancer screening coverage. (a) Each policy of accident and health or sickness insurance providing coverage for health care, except for policies that only provide coverage for specified diseases or other limited benefit coverage, shall provide coverage for colorectal cancer screening by any of the methods specified by the 2008 colorectal cancer screening guideline prepared by the American Cancer Society, the U.S. Multi-Society Task Force on Colorectal Cancer, and the American College of Radiology, which include the following:

- ~~— (1) Colonoscopy;~~
- ~~— (2) Flexible sigmoidoscopy;~~
- ~~— (3) Double contract barium enema;~~
- ~~— (4) CT colonoscopy (virtual colonoscopy);~~
- ~~— (5) Fecal occult blood test (FOBT);~~
- ~~— (6) Fecal immunochemical test (FIT); and~~
- ~~— (7) Stool DNA test (sDNA).~~

ALL A AND B GRADE SCREENING MODALITIES AS RECOMMENDED BY THE U.S. PREVENTATIVE SERVICES TASK FORCE.

(b) Beginning March 1, 2011, a health care coverage provider shall include information in the policy ALL HEALTH INSURANCE PROVIDERS IN HAWAII SHALL INFORM THEIR INSURED about the risk associated with undiagnosed colorectal cancer and encourage the insured to consult with the insured's physician about available screening options."

SECTION 2. Chapter 432, Hawaii Revised Statutes, is amended by adding a new section to article 1 to be appropriately designated and to read as follows:

"§432:1- Colon cancer screening coverage. (a) All individual and group hospital and medical service contracts providing health care coverage shall provide coverage for colorectal cancer screening by any of the methods specified by the revised 2008 screening guideline, including colonoscopy every ten years beginning at age fifty. ALL A AND B GRADE SCREENING MODALITIES AS RECOMMENDED BY THE U.S. PREVENTATIVE SERVICES TASK FORCE.

(b) Beginning March 1, 2011, all health insurance providers in Hawaii shall inform their insured of the risk associated with undiagnosed colorectal cancer and encourage the insured to consult with the insured's physician about available screening options."



The Official Sponsor of Birthdays

February 6, 2010

Committee on Consumer Protection & Commerce
Representative Robert Herkes, Chair
Representative Glenn Wakai, Vice Chair

Hearing:

2:00 P.M., Monday, February 8, 2010
Hawaii State Capitol, Room 325

RE: HB823 – Relating to Health Insurance

Testimony in Strong Support

Chair Herkes, Vice Chair Wakai, and members of the Committee on Consumer Protection & Commerce. Thank you for the opportunity to testify in strong support of HB823, which will require health insurance coverage for colorectal cancer screening including the use of colonoscopy.

This bill was introduced at the request of the American Cancer Society as a result of a colorectal cancer screening guideline that was released in 2008. Beginning last year, the American Cancer Society offered extensive testimony on the benefits of early detection and treatment of colorectal cancer which is the third most common cancer in the United States and the second leading cause of cancer deaths among men and women. In 2009, 146,000 new cases were diagnosed and 49,000 deaths recorded. This year in Hawai'i, over 710 of our residents will develop colon cancer and approximately 200 will die.

When colorectal cancer is diagnosed at the earliest stage, the five year survival rate is 90%. However, after the cancer spreads, the five year survival rate plunges to 10%. **When detected early, the pain and suffering due to cancer diagnosis can be completely prevented through early identification and removal of pre-cancerous polyps, detectable only through colorectal cancer screenings.**

In Hawai'i, a little over half of our residents over the age of 50 reported having a colorectal cancer screening exam. One of the reasons for this low screening rate was health insurance coverage. From studies conducted across the nation, it has been shown that limits on covered benefits are a factor in an individual's decision to request colonoscopy as a screening option, **and primary care physicians often do not refer people for tests if they believe those tests will not be covered by health insurance.**

HB823 is unique in that it incorporates the latest colorectal screening guideline (2008), which was 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.

These colorectal screening guidelines are also unique as they 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 Hawai’i, however 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 Hawai’i is still low. Hawai’i ranks 20th in the nation with only a little over 60% of adults aged 50 and over reporting having a colonoscopy or sigmoidoscopy.
- Providing a wide range of test will enhance screening rates.

Last week, the State Auditor released her report on the social and financial impacts of HB823, entitled *Study of Proposed Mandatory Health Insurance Coverage for Colorectal Cancer Screening*, Report No.10-02 February 2010. **We commend the conclusion reached by the Auditor that HB823 “would be beneficial for a majority of Hawai’i’s insured population of average risk or asymptomatic adults between the ages of 50 to 75 who are currently unable to select colonoscopy every ten years as a screening option.”**

However we feel compelled to offer these comments with respect to amending HB823 to only include colorectal screening procedures and tests recommended by the U.S. Preventive Services Task Force (USPSTF).

The Society strongly believes that screening and testing decision should be made jointly between the patient and their physician. In its present form, HB823 includes a variety of options including CT colonography and sDNA testing.

From physician and patient feedback, we know that not everyone will elect to undergo colonoscopy or flexible sigmoidoscopy because of its invasive nature. CT colonography is a viable alternative: non-invasive, utilizing CT scanning to obtain an interior view of the colon.

In October 2007, the *New England Journal of Medicine*, reported on a study, “CT Colonography versus Colonoscopy for the Detection of Advanced Neoplasia.”¹ The purpose of the study was to compare detection rates between colonoscopy and CT colonography, and was conducted by the University of Wisconsin Medical School. 3,120 adults were screened using CT colonography for the detection of polyps. This screening result was compared to 3,163 adults who had undergone colonoscopy. Analysis of the rate of detection resulted in the conclusion that CT colonography and colonoscopy resulted in similar detection rates. The study further suggested that CT colonography is safe, clinically effective, and cost-effective. **The study concluded that overall screening utilization could be increased by giving patients the choice of which test they preferred.**

¹ Kim, M.D., David H.. "CT Colonography versus Colonoscopy for the Detection of Advanced Neoplasia." *The New England Journal of Medicine* 357, no. 14 (2007): 1403-1412.

The major benefit of the sDNA test, when compared to the standard FOBT, is that it is not dependent on blood detection, which may be intermittent and nonspecific. We would add that New Jersey and Maryland have included sDNA testing in their colorectal screening mandate.

In the most recent U.S. Preventive Services Task Force Guideline, *The Guide to Clinical Preventive Services 2009*,² the “USPSTF concludes that the **evidence is insufficient** to assess the benefits and harms of computed tomographic colonography and fecal DNA testing as screening modalities of colorectal cancer,” **meaning that the Task Force believed there was insufficient data with which to assess the balance of benefits and harms. The guidelines do not state that these tests should not be use.**

In the same breath the Task Force announced “because several screening strategies have similar efficacy, **efforts to reduce colon cancer deaths should focus on implementation of strategies that maximize the number of individuals who get screening of some type.** The different options for colorectal cancer screening tests are variably acceptable to patients; eliciting patient preferences is one step in improving adherence. **Ideally, shared decision making between clinicians and patients would incorporate information on local test availability and quality as well as patient preference.**”

Finally, we feel compelled to emphasis a point made by the Auditor noting, “**27 states and the District of Columbia have laws requiring health insurance screening coverage for colorectal cancer. The law of 16 states and District of Columbia follow the recommendations of the American Cancer Society (ACS), and two states follow the USPSTF guidelines.**”

HB823 is a good bill. For only an additional 55¢ per insured individual per month, it will dramatically reduce colon cancer death and incidents rates in Hawai’i. As everyone on the committee knows, cancer does not distinguish between Democrats or Republicans, rich or poor, young or old, insured or uninsured, male or female. It is an equal opportunity disease and killer impacting victims, caregivers, and love ones. HB823, if enacted, can lead to the defeat of the second deadliest cancer in Hawaii. **We would urge the committee to pass this measure forward unamended.**

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

Sincerely,



George S. Massengale, JD
Director of Government Relations

² *The Guide to Clinical Preventive Services 2009*. Ned Calonge, M.D., M.P.H.. Washington, DC: Agency for Healthcare Research and Quality, 2009