

# HOUSE BILL REPORT

## SHB 1337

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**As Passed House:**

March 8, 2007

**Title:** An act relating to insurance coverage for colorectal cancer early detection.

**Brief Description:** Regarding coverage for colorectal cancer examinations and laboratory tests.

**Sponsors:** By House Committee on Health Care & Wellness (originally sponsored by Representatives Kenney, Skinner, Hunter, Priest, Darneille, Ericks, Pettigrew, Hankins, Lantz, Fromhold, Walsh, Williams, Kessler, Haler, Morrell, Barlow, McCoy, Appleton, Ormsby, Springer, Campbell, Moeller, Lovick, Rolfes, Hasegawa, Flannigan, Hudgins, Hunt, Green, Chase, Dunshee, Simpson, Roberts, O'Brien, Rodne, Dickerson, Quall, Goodman, Linville, Hurst, Santos and Wallace).

**Brief History:**

**Committee Activity:**

Health Care & Wellness: 2/14/07, 2/22/07 [DPS].

**Floor Activity:**

Passed House: 3/8/07, 83-13.

**Brief Summary of Substitute Bill**

- Beginning July 1, 2008, requires disability insurance contracts and health benefit plans to cover colorectal cancer examinations and laboratory tests consistent with the U.S. Preventive Services Task Force recommendations or the Centers for Disease Control and Prevention guidelines.

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**HOUSE COMMITTEE ON HEALTH CARE & WELLNESS**

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives Cody, Chair; Morrell, Vice Chair; Barlow, Campbell, Green, Moeller, Pedersen, Schual-Berke and Seaquist.

**Minority Report:** Do not pass. Signed by 4 members: Representatives Hinkle, Ranking Minority Member; Alexander, Assistant Ranking Minority Member; Condotta and Curtis.

**Staff:** Chris Cordes (786-7103).

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

## **Background:**

### Colorectal Cancer Incidence Data

According to the American Cancer Society (ACS), colorectal cancer is the third most common cancer in the United States. The ACS estimates that 153,760 new cases of colon and rectal cancer will occur in 2007, with 52,180 deaths. The ACS also reports that the death rate from these cancers has decreased over the last 15 years, in part because screening tests allow polyps to be found and removed before they become cancerous.

For 2003, the Washington State Cancer Registry reported 2,861 incidences of colorectal cancer, with 1,017 deaths. Colorectal cancer was the second leading cause of cancer deaths in the state that year.

### Colorectal Cancer Screening - Mandated Benefit Sunrise Review Report

In January 2003, the Department of Health (DOH) reported on a sunrise review of mandated colorectal cancer screening. The DOH recommended adoption of a mandated screening benefit with various technical recommendations. The DOH noted in its report that although most health plans provided coverage for colorectal cancer screening, the plans were not uniformly following the recommendations of the ACS.

### Washington State Comprehensive Cancer Control Plan 2004-2008

The Washington State Comprehensive Cancer Control Plan, published by the DOH in 2004, made several recommendations with regard to colorectal cancer: (1) increase screening rates; (2) increase awareness of the importance of regular screening; (3) identify and screen high risk populations; and (4) monitor emerging science evaluating the benefit of various screening technologies. It set a goal to reduce mortality from colorectal cancer by increasing the proportion of people aged 50 or older that have had screening according to the ACS recommendations to 60 percent by 2008, and increasing the capacity of the health care system to perform high-quality screening.

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## **Summary of Substitute Bill:**

Beginning July 1, 2008, disability insurance contracts and health benefit plans must cover colorectal cancer examinations and laboratory tests consistent with guidelines or recommendations of the U.S. Preventive Services Task Force or the Centers for Disease Control and Prevention. Coverage must be provided for the screening and tests at the frequency identified in the guidelines or recommendations, as deemed appropriate by the patient's physician after patient consultation. These benefits must be provided to individuals at least 50 years old and to those who are under age 50 if they are at high risk or very high risk for colorectal cancer according to the screening guidelines or recommendations.

To encourage screening, patients and providers must not be required to meet burdensome criteria or significant obstacles to secure coverage. Any additional deductible or co-pay may

not be greater than that established for similar benefits or, if there is not a similar benefit, may not be set at a level that materially diminishes the value of the benefit required.

Carriers and health maintenance organizations are not required to refer patients to nonparticipating providers unless appropriate participating providers are not available to administer the screening. If referrals to nonparticipating providers are made, the screening services must be provided at no additional cost to the patient.

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**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect 90 days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:**

(In support) Everyone should have access to colorectal cancer screening. This screening is valuable and is a good example of evidence-based medicine. Washington's 2004 Comprehensive Cancer Plan focused on the benefits of this screening. The Department of Health (DOH), in its sunrise review, recommended this screening, and the bill incorporates the DOH technical recommendations. Early detection is critical to saving lives and reducing health care costs. Screening is critical to younger people, too. Sometimes there are no symptoms of the disease, but the tests can identify problems. The screening is highly effective, but some methods can also be expensive. Some procedures are both therapeutic and diagnostic. This is an unusual cancer because it frequently can be removed on discovery or before a polyp develops cancer, if caught early. The screening rate in this country is too low. Screening should occur as deemed appropriate by the patient's physician in consultation with the patient. More patient and doctor education is needed.

(In support with amendment) The bill should refer to the screening guidelines recommended by the U.S. Preventive Services Task Force, which some health plans use.

(Opposed) Screening for this cancer is appropriate, but the bill mandates only one set of guidelines. We should also benefit from the other studies and recommendations that have been published. Codifying one set of standards can be a problem if the standards change. Most carriers make this screening routinely available. The bill, as drafted does not include some disability carriers in the individual market. The date for the mandate to begin should be extended for an additional year, to July 1, 2008.

**Persons Testifying:** (In support) Representative Kenney, prime sponsor; Representative Skinner; Marcia Fromhold and George McDonald, Fred Hutchinson Cancer Center; and Anita Mitchell, American Cancer Society.

(In support with amendment) Ken Bertrand, Group Health Cooperative.

(Opposed) Sydney Zvara, Association of Washington Health Plans; Mel Sorensen, America's Health Insurance Plans and Washington Association of Health Underwriters; and Nancee Wildermuth, Regence Blue Shield, PacifiCare, and Aetna.

**Persons Signed In To Testify But Not Testifying:** None.