

SB

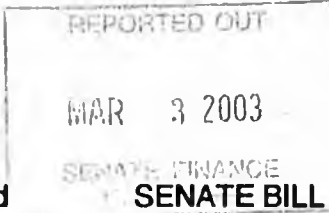
78

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 2/28/03



FURTHER:

DATE TURNED IN TO OFFICE: 03/03/03

Finance Committee considered

SENATE BILL NO. 78

SB 78 MEDICAID FOR BREAST & CERVICAL CANCER

"An Act relating to an optional group of persons eligible for medical assistance who require treatment for breast and cervical cancer; relating to cost sharing by those recipients under the medical assistance program; and providing for an effective date."

and recommends:

- be replaced with _____ CS _____ (_____)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

Senate Bill:

same title

new title

House Bill:

same title

technical title

new: SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#
HSS	2/29			1

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	Do PASS	Do NOT PASS	No REC	AMEND
<i>Adrian (T...)</i>	✓			
<i>[Signature]</i>			✓	
<i>[Signature]</i>			✓	
<i>[Signature]</i>	✓			
COCHAIR: <i>[Signature]</i>	✓			
COCHAIR: <i>[Signature]</i>	✓			

MAR 3 2003

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: SB 78
 (S) Publish Date: 2/28/03
 Dept. Affected: Health & Social Services

Revision Date/Time (Note if correction): Corrected 2/24/03

Title MEDICAID FOR BREAST AND CERVICAL
CANCER

BRU Medical Assistance

Component Medicaid Services

Sponsor GREEN

Requester SENATE (HES)

Component No. 2077

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	970.0	1,108.8	1,265.6	1,442.6	1,642.5	1,867.8
Miscellaneous						
TOTAL OPERATING	970.0	1,108.8	1,265.6	1,442.6	1,642.5	1,867.8
CAPITAL EXPENDITURES						
CHANGE IN REVENUES (0)						

FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts	687.5	785.8	896.9	1,022.4	1,164.0	1,323.7
1003 GF Match	282.5	323.0	368.7	420.2	478.5	544.1
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other(Specify Type-do not abbreviate)						
TOTAL	970.0	1,108.8	1,265.6	1,442.6	1,642.5	1,867.8

Estimate of any current year (FY2003) cost: 847.3

Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This legislation continues the optional breast and cervical cancer Medicaid eligibility category, which is due to sunset June, 30, 2003. This legislation also authorizes recipient premiums and cost-sharing to the maximum extent allowed under federal law.

In FY2002 Medicaid spent \$584,364 (\$403,032 Federal funds, \$181,332 general funds) to pay for the treatment costs of 22 women diagnosed with breast cancer, 9 diagnosed with cervical cancer, and 13 with pre-cancerous cervical conditions. In future years we expect expenditures to grow at a rate typical of general Medicaid expenditures, but with only a slight increase in the number of individuals taking advantage of this eligibility category. See our assumptions on the next page.

Prepared by: Kevin Henderson
 Division: Medical Assistance
 Approved by: Joel S. Gilbertson, Commissioner
 Agency: Department of Health and Social Services

Phone 465-5821
 Date/Time 02/21/2003
 Date 02/24/2003

COMMITTEE COPY

STATE OF ALASKA
2003 LEGISLATIVE SESSION

ANALYSIS CONTINUATION

Assumptions used in making this fiscal note:

1. The number of women who have taken advantage of this program is lower than the numbers projected last year by the Division of Public Health. Part of the reason for the reduced number of eligibles is that Alaska Native women screened and diagnosed by the four tribal grantees are not applying for Medicaid. The number of anticipated recipients is expected to increase slightly. We assume a 5% increase in total recipients for each fiscal year.
2. To estimate future expenditures, we began by looking at the cost of services provided to women eligible under the breast and cervical cancer category in FY2002. The average cost per recipient in FY2002 was \$24.0 for breast cancer, \$4.9 for cervical cancer, and \$.8 for precancerous cervical conditions. However, the trend for FY 03 appears to be 45% higher than FY2002. The program was new in FY 2002, so we believe the FY2003 increase seen so far is due to the fact that current recipients have had time to move from needing treatment to actually being in or having received full treatment. We established a FY2003 base cost that is 45% higher than FY2002. Beginning with FY 2004 we estimate that Medicaid expenditures in this category will grow at a rate of 10% per year, similar to the national average growth for Medicaid spending.

The enhanced federal match rate used is 70.87%.

Funding for this bill is in the Division's base budget, however, the Governor's FY2004 Budget has not been finalized at this point.

Cost-Sharing: This legislation authorizes the department to charge recipient premiums or impose the maximum allowed cost-sharing requirements on recipients based upon household income and using a sliding fee scale. Except for the Working Disabled Medicaid Buy-In eligibility category, Federal law and regulations prohibit states from imposing a premium on "categorically needy individuals", including the breast and cervical cancer category. The department does have authority to impose "nominal" deductibles, coinsurance, or co-payments for recipients in this category. 7 AAC 43.052 already imposes the maximum allowable co-insurance payment for outpatient hospital services, the maximum \$3 co-payment for each physician visit, a \$2 co-payment for each prescription drug filled, and \$50 co-payment per day of inpatient hospitalization (up to a maximum \$200). Federal regulations allow states to require a monthly deductible amount capped at \$2 per month per family member, but prohibit states from imposing more than one type of charge at the same time. Slight increases may be made in hospital co-payments and prescription drugs (depending upon the cost of the drug), but considering the small number of recipients the revenue would be negligible and was not estimated.

ALASKA STATE LEGISLATURE



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Session:
State Capitol
Juneau, Alaska 99801-1182
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SENATOR LYDA GREEN
SENATE DISTRICT G

SPONSOR STATEMENT **SB 78**

“An Act relating to an optional group of persons eligible for medical assistance who require treatment for breast and cervical cancer; relating to cost sharing by those recipients under the medical assistance program; providing for an effective date.”

Senate Bill 78, the Breast and Cervical Cancer program, removes the sunset provision of the 2001 legislation and continues treatment for women who have been participating in this program and for women who will be diagnosed in the future.

This bill gives authority to the Department of Health and Social Services to impose allowable cost sharing under federal authority for the breast and cervical cancer category. The State would then be able to work with the Federal government by submitting an amended state plan. It also provides for the implementation of a system by which these funds are collected.

I urge your support and swift passage of Senate Bill 78.

Breast & Cervical Cancer Screening Facts

The Breast and Cervical Cancer Mortality Prevention Act of 1990, authorized the Centers for Disease Control and Prevention (CDC) to fund breast and cervical cancer screening service for low-income women. The National Breast and Cervical Cancer Early Detection Program (NBCCEDP) provides:

- Breast and cervical cancer screening services to low income or un/underinsured women.
- Diagnostic medical follow-up, case management services and assurances for medical treatment.
- Public information and education programs to increase the use of screening services.
- Education to health professionals to improve the screening process.
- Quality monitoring of the screening process.
- Surveillance and epidemiological systems.
- Linkages with key partners.

In Alaska, there are five federally funded NBCCEDP grantees:

- Alaska Dept. of Health & Social Services' Breast and Cervical Health Check (BCHC) program;
- Southcentral Foundation (SCF);
- Southeast Alaska Regional Health Corporation (SEARHC);
- Yukon Kuskokwim Health Corporation (YKHC); and
- Arctic Slope Native Association (ASNA).



Together these programs provide services to nearly 18,000 Alaskan women annually.

Breast & Cervical Health Check (BCHC) is the State of Alaska Department of Health and Social Service's breast and cervical cancer screening program. In operation since March 1995, BCHC services are now available numerous communities statewide. BCHC works closely with tribal corporation colleagues to provide a network of coverage for native and non-native women throughout the State.

BCHC has screened more than 14,000 women since 1995. Seventy cases of breast cancer, 13 cases of cervical cancer, and 446 cases of pre-cancerous cervical disease have been detected among women enrolled in BCHC.

Alaska Native women receive NBCCEDP screening services from four tribal health programs:

- Arctic Slope Native Association (ASNA)
- Southcentral Foundation (SCF)
- Southeast Alaska Regional Health Corporation (SEARHC)
- Yukon/Kuskokwim Health Corporation (YKHC)

The four tribal health programs have screened more than 17,000 women since 1995.

The Burden of Cancer in Alaska

Breast & Cervical Cancer Occurrence (1996 - 1999)				
	1996	1997	1998	1999
Breast Cancer	265	287	326	294
Cervical Cancer	27	27	31	18

State of Alaska, Cancer Registry Data 2003

Breast & Cervical Cancer Mortality (1996 - 1999)				
	1996	1997	1998	1999
Breast Cancer	53	41	49	43
Cervical Cancer	6	4	5	6

State of Alaska, Cancer Registry Data 2003

Breast & Cervical Cancer Treatment in Alaska

The U.S. Congress enacted the Breast & Cervical Cancer Treatment Act in 2000, with very strong bipartisan support. In response to this, the Alaska State Legislature passed legislation allowing women enrolled in CDC funded programs and diagnosed with cancer to access Medicaid funds for cancer treatment.

Who is eligible for "Breast and Cervical" Medicaid?

To qualify for "Breast and Cervical" Medicaid, a woman must be:

- an enrolled client in one of the 5 CDC funded programs in Alaska (BCHC, SCF, SEARHC, YKHC, ASNA) prior to being diagnosed;
- diagnosed by a clinician in one of the 5 CDC programs;
- a resident of the US and have a Social Security Number;
- a resident of Alaska;
- age 18 - 64; and,
- have no creditable medical coverage

How long will each patient's Medicaid coverage last?

Until completion of treatment is determined by the woman's private health care provider.

What treatment services are covered?

Only clinically proven medical or surgical cancer treatments are covered. Such treatments typically include: surgery, chemotherapy or radiation therapy.

Medicaid coverage would end when:

- a woman turns 65 (and becomes Medicare eligible);
- she is no longer a state resident;
- she obtains creditable medical coverage; or
- she is no longer eligible for services from one of the screening and diagnostic programs.

FY02 Statistics on Treatment

- From July 2001 through June 2002, Medicaid paid treatment costs for 44 women with breast or cervical cancer, or a pre-cancerous cervical condition.
- The total cost to the State of Alaska was \$174,838.
- Federal funding paid \$411,279 of the \$586,118 total.
- The State of Alaska does not cover any costs for treatment of Alaska Native or Native American women under this special category of Medicaid. One hundred percent of IHS beneficiary treatment costs are paid for with federal dollars.

FY03 Treatment Projections

An estimated 69 women will qualify and need breast cancer treatment in FY03. Eleven women will need treatment for cervical cancer and 102 for pre-cancerous cervical conditions.

SENATE COMMITTEE REPORT First Committee of Referral

DATE: 2/21/03

FURTHER: Finance

Date of 5-Day Notice: 2/21/03
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 2.26.03

Health, Education and Social Services Committee considered

SENATE BILL NO. 78

SB 78 MEDICAID FOR BREAST & CERVICAL CANCER

"An Act relating to an optional group of persons eligible for medical assistance who require treatment for breast and cervical cancer; relating to cost sharing by those recipients under the medical assistance program; and providing for an effective date."

and recommends:

be replaced with _____ CS _____ (_____)

adopt previous _____ CS _____ (_____)

attached amendment(s)

adopt Letter of Intent by _____ Committee

further referral to _____ Committee

Senate Bill:

same title

new title

House Bill:

same title

technical title

new: SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#
HSS	2/24	X		1

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#

APPROPRIATION - no fiscal note

Dyson
Wilken
Davis
Green
Juss

SIGNATURES AND RECOMMENDATIONS:	Do PASS	Do NOT PASS	NO REC	AMEND
<i>* [Signature]</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>[Signature]</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Bettye Davis</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<i>[Signature]</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>[Signature]</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CHAIR:				

2-28-03

I submit the following testimony on the bills listed below to the committees listed. Please distribute this testimony for public record and copy all the Senate HESS and House and Senate FINANCE committee members. I verbally gave this same public testimony to the Senate HESS Committee on Wednesday, February 26th at 2:00 p.m., but I was informed that the transmission was inaudible in Juneau. Please also copy Senator Bettye Davis and Representative Kerttula.

SB-78 - Senate HESS Committee – Chair Dyson and Vice-Chair L. Green
✓ SB-78 - Senate Finance Committee – Chair L Green
HB-21 and HB-107 House Finance Committee – Co-chairs Harris and Williams

My name is Carla Williams and I am the president of Alaska Breast Cancer Advocacy Partners and the state field coordinator for the National Breast Cancer Coalition. ABCAP collected over 1200 signatures in the last few weeks supporting the extension of the breast and cervical cancer treatment program. Over the past two years, many people of Alaska (state legislators, governors, U.S. Senators, and people from all walks of life) have worked together to first, get the program into reality and second, to make sure that the program does not end in June 2003. I thank you all. I'm pleased that the legislature is moving a bill forward toward this effort.

I think that people have been working together to pass legislation. Has the public given all the information they need to make a sound decision? I believe that is desirable.

It is my understanding that SB78 provides the language necessary to make future changes to the breast and cervical cancer treatment program at the discretion of the state without having to go through public scrutiny. It is not a secret that President Bush's recent budget asks for capping federal Medicaid spending and giving broad flexibility to states to cut Medicaid eligibility, benefits, provider reimbursements, along with services in rural communities. Budget deficits are a big problem for states across the U.S. and the federal changes will allow the states to get some relief by tapping into Medicaid and Medicare. If, or when, those federal restrictions are lifted, and I predict they will be lifted sooner than later, states will be given the green light to move forward in their efforts to undermine the original intent of this program, which is to provide financial assistance to women who cannot afford breast and cervical cancer treatment after being diagnosed with cancer through the screening program. Whether our state legislators become the stewards of keeping this program alive and vital, time will tell. Whether people who need these services will be either eligible for the program or able to afford the costs, again, time will tell.

Although co-payments and a sliding scale may make sense to the average person today, I predict that this program will look a lot different in a few years. Since these are only predictions, I cannot accurately know what the future holds for passing SB78, except that by passing this bill, the program will not end this June and I think people, for now, are satisfied with that concept. Thank you for giving me this opportunity to speak.

*Carla Williams, 13001 NORAK PLACE
907-345-8060 Anchorage, AK 99516*

SENATE FINANCE COMMITTEE

SIGN-IN

SB 78-MEDICAID FOR BREAST & CERVICAL CANCER

NAME: Elmer Lindstrom Subject/Bill No: SB 78

Co./Dept./Title: Special Assistant Phone: 465-1613

Address: Dept. Health & Social Services Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____

Co./Dept./Title: _____ Phone: _____

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____

Co./Dept./Title: _____ Phone: _____

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

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Co./Dept./Title: _____ Phone: _____

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

