

Mandated Benefits Review - Senate Bill 39 - Executive Summary

After reviewing the submissions for Senate Bill 39 - the Cancer Prevention and Early Detection Services Act-the Pennsylvania Health Care Cost Containment Council does not find evidence to oppose this bill at this time. We raise concerns, however, about the efficacy of prostate cancer screening (one of the benefits addressed in this bill). The Council has concerns, too, about the cumulative impact which mandated benefits have on health care, including their potential contribution to rising health care costs, the ability of employers to provide health insurance benefits to their employees, and their potential to increase the number of uninsured. Our conclusions are based on the following:

- Colorectal cancer screening has been demonstrated to reduce colorectal cancer mortality. Further, the potential increase in cost associated with this screening may be offset by a decrease in the cost of treating this cancer if diagnosed at an earlier stage. The Council's cost/benefit analysis showed that while the cost for colorectal cancer screening may range between \$7.2 million and \$10.9 million annually, this could be offset by the \$10 million that might be saved if the percentage of colorectal cancer diagnosed at an early stage increases from the current rate of 37 percent to 50 percent.
- With regard to prostate cancer, however, there has been no definitive connection between screening for prostate cancer and a reduction in prostate cancer mortality. The National Cancer Institute states, "There is insufficient evidence to establish whether a decrease in mortality from prostate cancer occurs with screening." Many recognized organizations including the U.S. Preventive Services Task Force, the Centers for Disease Control and Prevention, and the American College of Physicians do not recommend universal prostate cancer screening for asymptomatic men. A cost/benefit analysis indicated that the costs associated with screening for prostate cancer may range between \$7.7 million and \$11.6 million annually. Unlike colorectal cancer, however, any savings associated with early detection of prostate cancer are less clear since 80 percent of prostate cancers are already diagnosed at the local stage.
- The Council considered the recommendations of the U.S. Preventive Services Task Force when contemplating Senate Bill 39. The Task Force is an independent advisory board to the Public Health Service (which is part of the U.S. Department of Health and Human Services). Their publication, *A Guide to Clinical Preventive Services*, is often regarded as the nationally accepted standard for preventive care. The Task Force makes their recommendations for preventive care based upon the accuracy of screening tests and the effectiveness of early detection. The U.S. Centers for Disease Control and Prevention support the recommendations of the Preventive Services Task Force.

Colorectal cancer screening

On the issue of *colorectal cancer* screening, the U.S. Preventive Services Task Force writes, "Screening for colorectal cancer is recommended for all persons aged 50 and older, using sigmoidoscopy, annual fecal occult blood testing, or both. The optimal interval between sigmoidoscopic examinations is not established; a 10-year interval may be adequate." (Senate Bill 39 calls for coverage of sigmoidoscopy or other appropriate test to detect colon cancer every 4 years.) An important issue, here, relates to an individual's willingness to undergo these tests. Mandating coverage in and of itself is not effective. Communication and education can greatly enhance patient participation and satisfaction with screening.

Prostate cancer screening

The Task Force also addresses *prostate cancer* screening. They state, "Routine screening for prostate cancer with digital rectal examination, serum tumor markers (e.g., prostate-specific antigen), or transrectal ultrasound is not recommended." The Task Force also writes, "cost effectiveness [of prostate cancer screening] cannot be properly determined without evidence of clinical effectiveness."

- The recommendations of the Task Force aside, however, the Council notes that no other state has enacted a mandate for colorectal cancer screening benefits while 14 other states mandate coverage for prostate cancer screening.
- The Council notes, too, that many insurers in Pennsylvania already provide coverage for the proposed screening procedures. It appears that coverage for prostate cancer screening and colorectal cancer screening may be sufficient without the imposition of a mandate. Those insurers which do not cover screening examinations will cover expenses related to diagnostic testing if a person has *symptoms* of the disease. Furthermore, as part of the Balanced Budget Act of 1997, Medicare Part B now covers annual fecal occult blood testing and periodic sigmoidoscopy examinations for colorectal cancer and beginning on January 1, 2000, will also cover annual digital rectal examinations and prostate specific antigen testing for prostate cancer.
- In general, the Council notes that caution should be used when considering mandated benefits, especially when contemplating their cumulative financial effect. While the benefits proposed under Senate Bill 39 are not projected to incur substantial costs in and of themselves, mandated benefits may nevertheless contribute to rising health care costs, provide increased incentives for large employers to self insure, affect the ability of employers to provide health insurance benefits to their employees, and increase the number of uninsured. The Council notes testimony of Insurance Commissioner Koken before the House Insurance Committee. "While the Department believes that the services provided under mandated benefits may be important, we are concerned that this trend toward increasing mandated benefits has a negative impact on the consumers and purchasers of health insurance."
- Finally, the Council concludes that neither supporters nor opponents of Senate Bill 39 provided sufficient information to warrant a full review of the proposal by a Mandated Benefits Review Panel; nor, given the documentation received, do we believe a panel of experts would come to conclusions different than the ones reached here.