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FISCAL IMPACT REPORT

SPONSOR Carraro DATE TYPED 2/3/05 HB _____

SHORT TITLE Statewide Mammogram Voucher Program SB 386

ANALYST Hanika-Ortiz

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$1,500.0			Recurring	General Fund

Relates to SB387 Breast Cancer Study

SOURCES OF INFORMATION

LFC Files

Responses Received From
Health Policy Commission (HPC)
Department of Health (DOH)

SUMMARY

Synopsis of Bill

Senate Bill 386 appropriates \$1.5 million from the general fund for the DOH to develop and implement a statewide voucher program for baseline mammograms to low-income women in New Mexico.

Significant Issues

DOH reports breast cancer as the most commonly diagnosed cancer, second only to lung cancer among cancer-related deaths for New Mexico women. Mammography is the best available method to detect breast cancer in its earliest and most treatable stage. The 5-year survival rate is 97%, when detected early.

The DOH further report that only women who are screened and diagnosed with breast cancer utilizing federal funds provided through DOH's New Mexico Breast and Cervical Cancer Early Detection Program (NMBCCEDP) are eligible for treatment through the Medicaid Breast and Cervical Cancer Program (BCCP). SB 386 would create a separate state-funded breast cancer-screening program. This may result in women screened through this program who do not qualify for treatment through Medicaid BCCP.

New Mexico Data

The HPC report the National Women’s Law Center and the Oregon Health and Science University (2004) statistics specific to mammograms indicate New Mexico:

- Received an satisfactory minus (S-) grade and ranked 44th nationally for providing mammograms to women age 40 and older as a wellness and prevention indicator within the last two years. Three states received a S, 22 states received a S-, 9 states received an Unsatisfactory (U), and 17 received a Fail (F).
- Is among 11 states that have improved/strengthened policies to provide Medicaid coverage for breast and cervical cancer treatment.
- Is among 25 states with a limited policy requiring private insurers to cover annual mammograms and breast cancer screening.
- Received a U grade for the “overall health” of women.
- Received an F grade for the percentage of women living in poverty (18.1%).

The HPC reports the following national statistics:

- One in five women in the United States is uninsured.
- Women are less likely to have employer based health insurance;
 - Partly due to part time employment, and
 - Type of employment
- Half of the women diagnosed with breast cancer delayed treatment 3 months to eight years due to;
 - Lack of insurance coverage
 - No access to low fee or free mammograms
 - Long waiting periods to be screened

The HPC says barriers to breast cancer screening include:

- Lack of awareness
- Embarrassment or modesty
- Fear of being diagnosed with the disease
- Living in remote areas
- Lack of recommendation from health provider
- Limited access to mammography as a screening tool
- Lack of health insurance and/or coverage

PERFORMANCE IMPLICATIONS

SB 386 supports the Department of Health’s Strategic Plan in Program Area 1: Prevention and Disease Control – Public Health Division. Strategic Direction: Improve the Health of New Mexicans.

DOH proposed performance measure is the number of mammograms provided to low-income women.

FISCAL IMPLICATIONS

The appropriation of \$1.5 million contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY06 shall revert to the general fund.

DOH claims SB 386 would augment state matching funds (\$3:\$1) as required in the cooperative agreement between the Centers for Disease Control and Prevention (CDC) and DOH for implementation of the New Mexico Breast and Cervical Cancer Early Detection Program (BCCEDP).

The LFC recommendation is balanced between revenues and expenditures and any increase in recurring funding must be offset by reductions in other areas. The Legislature must consider all priorities and funding requirements to find revenue to support this legislation.

ADMINISTRATIVE IMPLICATIONS

DOH reports the need for additional staff of one FTE administrator and one FTE billing specialist. An alternative approach would be to develop a Request for Proposals to identify a contractor qualified to plan, implement, evaluate, and serve as the statewide voucher program reimbursement entity. This administrative expense would need to be accommodated by the bill.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Relates to SB 387, which provides for a breast cancer study to review or determine environmental and physiological impacts on the cause of breast cancer and includes an appropriation of \$1.6 million.

TECHNICAL ISSUES

SB386 does not give specific information on how the voucher program would be administered, or what qualifies as “low income”. In addition, SB 386 raises ethical issues as the bill does not contain language to allow for diagnostic follow-up or treatment services when abnormalities are found on mammography.

DOH suggests expanding use of allocated funds to include diagnostic services for women with findings suspicious for cancer on their baseline mammography.

OTHER SUBSTANTIVE ISSUES

The DOH reports the CDC and DOH currently fund (BCCEDP). BCCEDP received \$3.4 million from the CDC in FY05. The required match of \$1.1 million state dollars is met through the value of in-kind “write-off” by medical providers and other in-kind services from additional state partners. This program provides screening and diagnostic services, which includes mammography, to eligible uninsured/underinsured women who live at or below 250% of the federal poverty threshold. The grant allocation is only sufficient to reimburse services for 13-15% of the eligible population. CDC requires that 75% of all paid mammograms be provided to women 50 years or older. No provision is made in the grant for screening and diagnosis of women under the age of 40.

CDC recommends mammograms for women 40-49 years of age every 1-2 years and the American Cancer Society and the American Medical Association recommend annual mammography screening beginning at age 40. SB 386 would provide mammography to women for whom funding shortfalls and eligibility requirements prohibit coverage through the New Mexico BCCEDP.

ALTERNATIVES

DOH further suggests NM HSD/Medicaid apply for a less restrictive eligibility option for BCCP through the US Center for Medicare & Medicaid Services (CMS). A less restrictive eligibility option may require additional funding to the Medicaid BCCP program, but would help address care issues for women screened under the state program but not eligible for treatment through Medicaid BCCP.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL?

Certain low-income New Mexican women may not receive baseline mammograms.

AHO/lg