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FISCAL IMPACT STATEMENT

LS 6313
BILL NUMBER: HB 1058

NOTE PREPARED: Feb 19, 2024
BILL AMENDED: Jan 16, 2024

SUBJECT: Breast Tissue Density.

FIRST AUTHOR: Rep. Negele
FIRST SPONSOR: Sen. Leising

BILL STATUS: 2nd Reading - 2nd House

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: The bill specifies that coverage of breast cancer rehabilitative services and reconstructive surgery incident to a mastectomy includes chest wall reconstruction and aesthetic flat closure.

It requires a facility performing a mammography examination to provide:

- (1) an assessment of the patient's breast tissue density using specified classifications;
- (2) written notice to the patient and the referring provider; and
- (3) concerning the notice to the patient, specified notification language depending on whether the facility determined the patient to have dense breast tissue or not dense breast tissue.

The bill requires the Medical Licensing Board of Indiana to amend an administrative code rule to remove references to "high breast density" and to align with the breast tissue density classifications in this act.

Effective Date: July 1, 2024.

Explanation of State Expenditures: *State Employee Health Plans (SEHP):* Under the federal Women's Health and Cancer Rights Act of 1998, group health plans and health insurance companies offering mastectomy coverage must also provide coverage for certain services relating to the mastectomy, including all stages of breast reconstruction. However, this act does not cover chest wall reconstruction or aesthetic flat closure. Current reimbursement for breast reconstruction covers procedures performed to address congenital defects, developmental anomalies, trauma, infection, tumors, or disease.

Any impact of the addition of chest wall reconstruction or aesthetic flat closure to the options for mastectomy coverage is expected to be minimal since the chest wall reconstruction or aesthetic flat closure may take

place during the same surgery as the mastectomy. The SEHP has not paid any claims specifically for chest wall reconstruction in the past 24 months

Professional Licensing Agency (PLA): The bill requires the Medical Licensing Board, which is operated by the PLA, to amend administrative code and adopt rules as prescribed in the bill. The bill's requirements are within the agency's routine administrative functions and should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels.

Additional Information: After being diagnosed and seeking treatment, many women undergo a mastectomy or partial mastectomy. This procedure often leads to additional surgeries such as breast reconstruction or chest wall reconstruction surgeries. Many insurers only cover breast reconstruction because chest wall reconstruction is generally classified as a cosmetic procedure by many insurers.

Roughly 1 in 8 women will be diagnosed with breast cancer over the course of their life. Breast cancer is the second leading cause of cancer death, and the first among women. In 2023, it is estimated that nearly 5,800 women will be diagnosed, and 930 deaths will occur in Indiana. Across the United States, there will be about 300,000 female cases diagnosed. Breast cancer is more rare among males, with an estimated 2,800 cases across the United States in 2023.

Explanation of State Revenues:

Explanation of Local Expenditures: The bill potentially impacts local units of government who offer employee health insurance coverage that is governed by state law. Any additional local health coverage costs or savings may be reflected with adjustments to other benefits or to the total employee compensation packages, or through the division of costs between the local unit and its employees.

Explanation of Local Revenues:

State Agencies Affected: All, State Personnel Department; Medical Licensing Board, Professional Licensing Agency.

Local Agencies Affected: Local units offering health insurance.

Information Sources: State Staffing Tables, November 2023; Christy Tittle, State Personnel Department; American Cancer Society, Cancer Facts & Figures 2023;
<https://www.governor.ny.gov/news/governor-hochul-signs-legislation-aid-breast-cancer-survivors-during-their-recovery>;
<https://www.in.gov/medicaid/providers/files/modules/surgical-services.pdf>.

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