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FISCAL IMPACT REPORT

SPONSOR: Park DATE TYPED: 03/07/03 HB HJM 74/aHBIC

SHORT TITLE: Study Colorectal Cancer Insurance Coverage SB _____

ANALYST: Dunbar

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	NFI				

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

Responses Received From
Department of Health (DOH)

SUMMARY

Synopsis of HBIC Amendment

The House Business and Industry Committee amends the bill by including the “insurance superintendent” as a member of the Task Force.

Synopsis of Original Bill

House Joint Memorial 74 requests that the New Mexico Department of Health (DOH) create a task force to investigate the issues concerning insurance coverage for, and access to, screening and early detection for colorectal cancer. The task force would include representatives from the American Cancer Society, NM Medical Society, health care practitioners, health care providers and others. The Task Force is to report its findings and recommendations to the appropriate interim committee by October 2003.

Significant Issues

Colorectal cancer is the second leading cause of cancer death in the state, following lung cancer. Each year in New Mexico, over 600 people are diagnosed with colorectal cancer, and almost 300 die of the disease (New Mexico Tumor Registry, 2003). The risk for colorectal cancer increases

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with age – approximately 90% of cases are diagnosed in New Mexicans aged 65 and older (New Mexico Department of Health, 2002).

Screening and early detection for colorectal cancer can not only diagnose cancers earlier, when they are more responsive to treatment, but can even prevent the disease. Nationally, colorectal cancer incidence rates went down 1.8% each year from 1985 – 1995. Research suggests the decrease is due in part to increased screening and the removal of pre-cancerous polyps (American Cancer Society, 2003).

Overall screening rates for colorectal cancer are low, with only 32% of adult New Mexicans reporting ever having had a sigmoidoscopy or colonoscopy. The national median is 33.7%. Screening rates are highest for New Mexicans age 65 and older; however only 51% in this age group report ever having had a sigmoidoscopy or colonoscopy (Centers for Disease Control and Prevention, 2000).

Since HJM 74 is to address insurance coverage of screening and early detection tests for colorectal cancer, it is recommended that the Superintendent of Insurance within the Public Regulation Commission be asked to participate in the Task Force.

FISCAL IMPLICATIONS

HJM 74 could be accomplished within existing resources.

The DOH currently contracts with the New Mexico Medical Society in the amount of \$10,000, to coordinate the Colorectal Cancer Workgroup of the Clinical Prevention Initiative (CPI). The DOH and members of the CPI would collaborate to fulfill the obligations stipulated in HJM 74.

ADMINISTRATIVE IMPLICATIONS

HJM 74 could be administered within existing resources.

OTHER SUBSTANTIVE ISSUES

Priority populations at risk for colorectal cancer are all men and women over age 50, as well as those of any age who have medical risk factors such as a family history of colorectal cancer. As the number of older New Mexicans increases, so too will the number of people at risk for colorectal cancer. A total of 12,016 new cases and 5,487 deaths from colorectal cancer were reported in New Mexicans between 1970 and 1996 (Office of Epidemiology, DOH & NM Tumor Registry, University of NM, 1998). Colorectal cancer is second only to lung cancer for cancer deaths among all New Mexicans (American Cancer Society, 2000).

Early detection has been shown to be effective in reducing both the incidence and mortality of colorectal cancer. For New Mexicans diagnosed between 1973 and 1999, the five-year relative survival rate for localized colorectal cancer was 76%, while the rate for regional stage (when the cancer has spread beyond the colon/rectum) was 55%; for distant stage (when the cancer has spread to other parts of the body) the survival rate dropped to 7% (New Mexico Tumor Registry, 2002).

Screening for colorectal cancer includes fecal occult blood testing, double-contrast barium enema, flexible sigmoidoscopy, and colonoscopy. These methods can diagnose the disease in early, pre-symptomatic stages when treatment is more likely to be effective. In addition, screening with colonoscopy can prevent cancer by detecting and removing pre-cancerous polyps. In 1999, less than half of New Mexicans aged 50 and older reported ever having a colorectal screening examination (American Cancer Society, 2000). Two thirds of colorectal cancers diagnosed in New Mexico are found at an advanced stage, when the cancers are least curable (DOH, 2002).

Screening recommendations vary, although the age at which screening begins is 50 for the general population. The US Preventive Services Task Force (USPSTF) is an independent panel of primary health care and prevention experts that reviews studies and develops recommendations for clinical preventive services. In July 2002, the USPSTF reported that studies show colorectal cancer screening is likely to be cost effective, whichever screening method is used. The USPSTF recommends the screening strategy decision be based on patient choice, medical needs, patient adherence, and the availability of testing and follow-up resources.

Currently, Medicare pays for colorectal cancer screening for eligible Americans at average risk. In addition, Medicare pays for colonoscopy every two years for high-risk individuals. Because Medicare primarily serves those aged 65 and older, insurance coverage for colorectal cancer screening would affect average-risk New Mexicans between the ages of 50 and 64, and those at increased risk who need more frequent screening. Issues concerning access would affect all New Mexicans seeking screening and early detection for colorectal cancer.

AMENDMENTS

Page 2, line 10 after “New Mexico medical society,” add, “insurance commissioner of the public regulation commission,”

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