

State Corporation Commission

2017 Fiscal Impact Statement

1. Bill Number: HB1656

House of Origin ☐ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☒ Enrolled

2. Patron: Yancey

3. Committee: Passed Both Houses

4. Title: Health insurance; proton radiation therapy coverage decisions.

5. Summary: Health insurance; proton radiation therapy coverage decisions. Prohibits health insurance policies and plans from holding proton radiation therapy to a higher standard of clinical evidence for benefit coverage decisions than is applied for other types of radiation therapy treatment. The measure applies to policies and plans that provide coverage for cancer therapy. The bill contains an emergency clause.

6. Budget amendment necessary: No

7. Fiscal Impact Estimates: No Fiscal Impact on the State Corporation Commission

8. Fiscal implications: None on the State Corporation Commission

9. Specific agency or political subdivisions affected: State Corporation Commission Bureau of Insurance

10. Technical amendment necessary: The provisions of House Bill 1656 establish a review standard for proton radiation therapy rather than a mandate for coverage of proton radiation therapy. Generally, decisions involving standards or quality of care fall under Title 32.1 of the Code of Virginia, which is within the authority of the Virginia Department of Health (VDH). Pursuant to 32.1-137.9, the Commissioner of Health determines if the utilization review entity has established reasonable and prudent requirements and standards. Consideration could be given to placing this provision in Title 32.1 rather than splitting oversight of utilization review between VDH and the State Corporation Commission.

11. Other comments: Proton therapy is an FDA-approved (1988) form of cancer treatment that is able to direct radiation to the exact location of a tumor. Although proton therapy is generally a more costly treatment than traditional radiation therapies, it is covered by Medicare and by most insurers for pediatric cases. Similar legislation was enacted in Oklahoma in 2015. The provisions of the bill would be effective January 1, 2018. The bill is identical to 2016 House Bill 978 and Senate Bill 639 except for its proposed placement in Chapter 34 of Title 38.2. The 2016 bills were referred to the Health Insurance Reform Commission (HIRC); no recommendation was made by HIRC other than to continue studying proton radiation therapy.