



Senate

General Assembly

File No. 510

February Session, 2002

Substitute Senate Bill No. 310

Senate, April 16, 2002

The Committee on Appropriations reported through SEN. CRISCO of the 17th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT REQUIRING THE PROVISION OF COVERAGE FOR SMOKING CESSATION UNDER THE MEDICAID PROGRAM.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 17b-278a of the general statutes, as amended by
2 section 19 of public act 02-4, is repealed and the following is
3 substituted in lieu thereof (*Effective July 1, 2002*):

4 The Commissioner of Social Services shall amend the Medicaid state
5 plan to provide coverage for treatment for smoking cessation ordered
6 by a licensed healthcare professional who [possesses valid and current
7 state licensure] has authority under appropriate federal or state laws to
8 prescribe [such] drugs [in accordance with a plan developed by the
9 commissioner to provide smoking cessation services. The] for smoking
10 cessation. Not later than January 1, 2003, the commissioner, in
11 consultation with the Commissioner of Public Health, shall present,
12 [such] in accordance with section 11-4a, a plan for smoking cessation
13 services to the joint standing committees of the General Assembly

14 having cognizance of matters relating to human services, public health
 15 and appropriations, and such plan shall be implemented by [January 1,
 16 2003, and, if such plan is approved by said committees and funding is
 17 provided in the budget for the fiscal year ending June 30, 2004, such
 18 plan shall be implemented on July 1, 2003] July 1, 2003. Such plan shall
 19 include a study of the cost and effectiveness of smoking cessation
 20 services. To the extent permitted by federal law, individuals seeking a
 21 second or subsequent course of smoking cessation treatment in a
 22 calendar year, shall participate in such study.

This act shall take effect as follows:	
Section 1	July 1, 2002

APP *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact:

Fund-Type	Agency Affected	Current FY \$	FY 03 \$	FY 04 \$
GF - See Below	Dept Social Services	-	See Below	See Below

Municipal Impact: None

Explanation

This bill makes various changes to the smoking cessation program previously modified in section 19 of P.A. 02-4, "An Act Concerning the Provision of Smoking Cessation Services Under the State Medicaid Plan and Making Technical Corrections to Special Act 01-1 of the November 15 Special Session."

The bill requires that services be implemented on July 1, 2003, and eliminates the requirement that services be implemented only if funding is provided in the budget. The bill also requires the plan that must be developed by the Department of Social Services (DSS) include a study of the cost effectiveness of smoking cessation services.

The changes included in this bill are not expected to significantly alter the cost of providing smoking cessation services under the Medicaid program. The Office of Fiscal Analysis estimates that these services will cost between \$750,000 and \$2 million annually, depending upon cost containment efforts included in the plan to be developed by DSS. sHB 5019 (the Budget Bill, as favorably reported by the Appropriations Committee) contain \$2.5 million under Medicaid for smoking cessation services.

OLR Bill Analysis

sSB 310

AN ACT REQUIRING THE PROVISION OF COVERAGE FOR SMOKING CESSATION UNDER THE MEDICAID PROGRAM**SUMMARY:**

Public Act 02-4 requires the Department of Social Services (DSS) commissioner to amend the Medicaid "state plan" to include coverage for smoking cessation treatment. This bill requires her to consult with the public health commissioner when presenting her plan for providing such coverage to the committees of cognizance.. It is not clear whether her "plan" is the same as the Medicaid state plan or some other plan. Under PA 02-4, the commissioner must submit the plan to the Human Services and Appropriations committees by January 1, 2003. The bill requires the plan to go to the Public Health Committee as well. The bill removes the requirement that DSS provide the coverage in accordance with the plan (but presumably the agency would still do this).

Under PA 02-4, the plan must be implemented by July 1, 2003 only if the committees approve it and the legislature appropriates funds in FY 2003-04. The bill removes the implementation conditions.

The bill requires the plan to include a study of the cost and effectiveness of smoking cessation services. And it requires that people seeking a second or subsequent course of smoking cessation treatment in a calendar year be part of the study, to the extent permitted by federal law.

Under PA 02-4, the Medicaid-covered treatment must be ordered by a health professional possessing valid and current federal and state licensure to prescribe smoking cessation drugs. The bill requires the professionals to instead be authorized under either federal or state law to prescribe drugs.

EFFECTIVE DATE: July 1, 2002

BACKGROUND

Medicaid Coverage for Smoking Cessation

Medicaid law gives states the option of providing coverage for smoking cessation treatment. While the law allows states to cover smoking cessation drugs, states can explicitly exclude them from coverage (42 USC § 1396r-8(d)). Otherwise, a state must cover the drugs if the state plan provides the coverage, a licensed practitioner of the healing arts within the scope of his professional practice prescribes them, and the person seeking them is Medicaid-eligible. Medicaid will also pay for non-drug therapy, such as smoking cessation behavior modification counseling. For either treatment type, Medicaid will pay only if it is medically necessary for treating a particular diagnosis, and when the practitioner providing the non-drug therapy is enrolled in the state's Medicaid program.

Under the Medicaid program's Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) component, states must cover smoking cessation drug therapy determined medically necessary for eligible children under age 21. As part of the EPSDT screening, states must show that they offered tobacco use discussion and they must provide cessation counseling to children and adolescents at appropriate ages.

The law does not set specific limits on the duration of these services or the amount that Medicaid will pay.

Legislative History

On February 26, the Human Services Committee favorably reported the bill to the Senate floor (file 15). On February 27, the House passed another bill, HB 5026, with an amendment that was similar to file 15, except the amendment added the plan implementation conditions. The rules were suspended and the Senate passed the amended bill on the same day (PA 02-4, effective July 1, 2002).

The Senate referred this bill, which reflects the public act's changes, to Appropriations on March 13, which favorably reported a substitute on April 1.

COMMITTEE ACTION

Human Services Committee

Joint Favorable Substitute
Yea 17 Nay 0

Appropriations Committee

Joint Favorable Substitute
Yea 48 Nay 2