



# Senate

General Assembly

**File No. 108**

January Session, 2007

Substitute Senate Bill No. 1033

*Senate, March 22, 2007*

The Committee on Public Health reported through SEN. HANDLEY of the 4th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

***AN ACT PROVIDING RESOURCES FOR EARLY DETECTION,  
DIAGNOSIS AND TREATMENT OF LUNG CANCER.***

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

1 Section 1. (NEW) (*Effective October 1, 2007*) (a) On or before October  
2 1, 2008, the Department of Public Health shall, within available  
3 appropriations, establish a pilot program for hospitals licensed under  
4 chapter 368v of the general statutes to improve early diagnosis,  
5 detection and treatment of lung cancer. The commissioner shall make  
6 grants and may provide additional financial incentives to hospitals  
7 participating in the pilot program for the development and  
8 implementation of lung cancer screening projects in which (1) at least  
9 twenty-five per cent of the patients are racial minorities, (2) at least  
10 fifty per cent of the patients have a family income below one hundred  
11 eighty-five per cent of the federal poverty level and are not otherwise  
12 eligible for Medicaid, and (3) patients whose family income does not  
13 exceed one hundred eighty-five per cent of the federal poverty level  
14 are not billed for such screening services.

15 (b) The commissioner shall select hospitals to participate in the pilot  
 16 program authorized under subsection (a) of this section by a  
 17 competitive process based on consideration of the following: (1)  
 18 Availability of computerized tomography scanning at the hospital; (2)  
 19 whether the hospital is located in an area designated by the federal  
 20 Health Resources and Services Administration as a medically  
 21 underserved area or an area with a medically underserved population;  
 22 (3) the percentage of low-income persons to whom the hospital  
 23 provides services on an annual basis; and (4) such other factors as the  
 24 commissioner deems relevant.

25 (c) On or before January 1, 2010, the Commissioner of Public Health  
 26 shall evaluate the pilot program established under subsection (a) of  
 27 this section and shall submit a report of the commissioner's findings  
 28 and recommendations to the joint standing committee of the General  
 29 Assembly having cognizance of matters relating to public health, in  
 30 accordance with the provisions of section 11-4a of the general statutes.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2007	New section

**PH** 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 chamber thereof for any purpose:

**OFA Fiscal Note**

**State Impact:**

Agency Affected	Fund-Effect	FY 08 \$	FY 09 \$
Public Health, Dept.	GF - Cost	Potential Significant	Potential Significant
Social Services, Dept.	GF - See Below	See Below	See Below

Note: GF=General Fund

**Municipal Impact:** None

**Explanation**

The bill requires the Department of Public Health (DPH) to establish a pilot hospital-based lung cancer screening program by 10/1/08, evaluate the program, and report findings and recommendations by 1/1/10. The agency would be required to make grants, and may provide additional financial incentives to participating hospitals.

Program costs would vary depending upon the number of individuals served, the screening methodologies used,<sup>1</sup> and the extent to which costs are recouped from patients or third party payers.<sup>2</sup>

For comparison purposes, providing a CT scan for 1,000 high-risk individuals, and a follow-up diagnostic PET<sup>3</sup> scan for those having abnormal initial screens would cost an estimated \$1.25 million<sup>4</sup>.

<sup>1</sup> It should be noted that while clinical trials assessing the potential benefits of using Computed Tomography (CT scanning) for lung cancer screening are underway, a consensus regarding whether to recommend its use has not been reached within the medical community.

<sup>2</sup> The bill requires that at least 50% of patients served by the pilot program be non-Medicaid eligible and have incomes below 185% of the federal poverty level, but specifies that these individuals may not be billed for services rendered.

<sup>3</sup> Positron Emission Tomography.

<sup>4</sup> Based on average costs of \$250 per CT scan and \$2,500 per PET scan, and assuming that 40% of initial screens will indicate abnormalities requiring follow-up diagnostic testing.

The Governor's Recommended FY 08-09 Biennial Budget contains no funding for the pilot program, and at this time there are no identified available federal or private funding sources.

Should no appropriation be included within the enacted FY 08-09 Biennial Budget for purposes of the bill, the requirement that the pilot program be developed within available appropriations would likely result in one of four outcomes: (1) DPH will proceed with the project, and will require a deficiency appropriation; (2) DPH will delay the implementation of the project pending the approval of additional appropriations to meet this mandate in future fiscal years; (3) DPH will shift resources from other department priorities, thereby impacting existing departmental programs; or (4) DPH will not implement the pilot program.

It is anticipated that medical assistance programs administered by the Department of Social Services would provide coverage of the screening tests for participating program enrollees, and subsequent medical treatment for enrollees identified as having lung cancer, in accordance with program provisions.

### ***The Out Years***

The ongoing fiscal impact associated with the bill would depend upon the duration of the pilot program, as well as the number of clients served in any given fiscal year. See above discussion for further detail.

**OLR Bill Analysis****sSB 1033*****AN ACT PROVIDING RESOURCES FOR EARLY DETECTION,  
DIAGNOSIS AND TREATMENT OF LUNG CANCER*****SUMMARY:**

This bill requires the Public Health Department (DPH) to establish a pilot grant program by October 1, 2008 for hospital lung cancer screening projects targeted toward low-income populations. The program may include other financial incentives but must be conducted within available appropriations. The bill establishes criteria for awarding grants.

EFFECTIVE DATE: October 1, 2007

**LUNG CANCER SCREENING PILOT PROGRAM*****Target Populations***

The pilot program provides grants and other financial incentives to participating hospitals for developing and implementing lung cancer screening projects in which (1) at least 25% of patients are from racial minorities, (2) at least 50% of patients are from families with incomes below 185% of the federal poverty level (up to \$31,765 for a family of three) that are not eligible for Medicaid, and (3) families with income under 185% of poverty are not billed for services.

***Grant Award Criteria***

The bill requires the DPH commissioner to select participating hospitals through a competitive process that considers the following factors:

1. whether computerized tomography (CAT) scanning equipment is available at the hospital,

2. whether the hospital is in a federally designated medically underserved area or an area with a medically underserved population,
3. the percentage of low-income people the hospital serves each year, and
4. other factors the commissioner deems relevant.

**Reporting**

The commissioner must evaluate the pilot program and report his findings and recommendations to the Public Health Committee by January 1, 2010.

**COMMITTEE ACTION**

Public Health Committee

Joint Favorable Substitute

Yea 25 Nay 1 (03/09/2007)