

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** HB 869 CS Inflammatory Bowel Disease  
**SPONSOR(S):** Sobel & others  
**TIED BILLS:** **IDEN./SIM. BILLS:** SB 1926

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	<b>ACTION</b>	<b>ANALYST</b>	<b>STAFF DIRECTOR</b>
1) <u>Health Care General Committee</u>	<u>7 Y, 0 N, w/CS</u>	<u>Schiefelbein</u>	<u>Brown-Barrios</u>
2) <u>Health Care Appropriations Committee</u>	<u>11 Y, 0 N, w/CS</u>	<u>Money</u>	<u>Massengale</u>
3) <u>Health &amp; Families Council</u>	<u></u>	<u>Schiefelbein</u>	<u>Moore</u>
4) <u></u>	<u></u>	<u></u>	<u></u>
5) <u></u>	<u></u>	<u></u>	<u></u>

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### SUMMARY ANALYSIS

House Bill 869 CS requires the Department of Health to conduct an epidemiological study of Inflammatory Bowel Disease (IBD) in Florida to gain a better understanding of the prevalence of the disease, patient demographic characteristics, and the role that environmental and family history play in the development of the disease. The bill also creates an IBD study council to assist in conducting the study. The bill directs the department to report its findings to the Governor, the Senate President and the Speaker of the House of Representatives by February 1, 2006.

The bill also directs the Agency for Health Care Administration to conduct a chronic disease study on Medicaid coverage for therapies, medical supplies, nutrition and other medically necessary food supplies, and therapies approved by the Food and Drug Administration for Crohn's disease and ulcerative colitis. The study will also include a review of the care and treatment in an outpatient or home health setting, Medicaid patient services, and Medicaid reimbursement policies and quality of life for patients affected by this disease. The bill directs the agency to report its findings to the Governor, the Senate President and the Speaker of the House of Representatives by February 1, 2006.

House Bill 1885 (General Appropriations Act) appropriates \$75,000 in nonrecurring Tobacco Settlement Trust funds to support this legislation

The effective date of the bill is July 1, 2005.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. HOUSE PRINCIPLES ANALYSIS:

Empower Families—The bill supports families' efforts to have access to information related to Inflammatory Bowel Disease to assist families in the management of this disease.

#### B. EFFECT OF PROPOSED CHANGES:

##### **Background**

According to the Mayo Clinic, it is estimated that more than 1 million Americans have ulcerative colitis or Crohn's disease, which are the most common forms of inflammatory bowel disease (IBD). The International Foundation for Functional Gastrointestinal Disorders, Inc. estimates that approximately 10 to 20 percent of the general population is affected by some type of gastroenterological disorder. IBD is the most common disease diagnosed by gastroenterologists and one of the most common disorders seen by primary care physicians. This disease is often referred to as spastic colon, mucous colitis, spastic colitis, nervous stomach, or irritable colon. The disease is generally classified as a "functional disorder," which is a disorder or disease where the primary abnormality is an altered physiological function, rather than an identifiable structural or biochemical cause. This is a characteristic of a disorder that generally can not be diagnosed in a traditional way; such as an inflammatory, infectious, or structural abnormality that can be seen by a commonly used examination, x-ray or blood test.

Inflammatory bowel disease (IBD) is understood as a multi-faceted disorder. In people with IBD, symptoms result from what may appear to be a disturbance in the interaction between the gut or intestines, the brain, and the autonomic nervous system that alters regulation of bowel motor function or sensory function. While there is a growing concern on the national and state level regarding the need to study the impact of IBD, at this time no organized method or entity has been assigned this task. Conclusive and more specific research regarding certain factors related to the disease regarding a specific population could provide the necessary data to better understand the impact on these patient's lives.

##### **Federal Legislation**

According to the *Crohn's and Colitis Foundation of America*, the "Inflammatory Bowel Disease Act" was passed by the 108<sup>th</sup> Congress and signed into law by President George W. Bush on November 4, 2004. The federal legislation directs the Centers for Disease Control and Prevention to report to Congress by May 1, 2005 on the status of its IBD study. The major components of the act are to conduct an IBD epidemiology study. The goal of the study is to gain a better understanding of the prevalence of the disease in the United States, and the unique demographic characteristics of the IBD population. Also, the federal legislation directs the Government Accountability Office (GAO) to submit a report to Congress on the coverage standards of Medicare and Medicaid for therapies that IBD patients need to maintain their health, including ostomy supplies, parenteral nutrition, enteral nutrition, medically necessary food products and FDA approved therapies for Crohn's and ulcerative colitis. The study will consider the appropriate outpatient or home health care settings, help identify gaps in Medicare or Medicaid coverage that impact the health and quality of life for IBD patients, and recommend reimbursement changes where appropriate. The GAO will also report to Congress on any challenges IBD patients encounter when applying for Social Security Disability coverage, including recommendations to improve the application process for IBD patients. The data collected and reviewed in this study should enable the IBD community to work with Congress and the Social Security Administration to pursue improvements in disability coverage for patients.

## House Bill 869 CS

The Department of Health is directed to conduct an epidemiological study of inflammatory bowel disease in order to collect demographic information on the characteristics of the patient population who are affected by this disease. The department is required to conduct and analyze such data and develop and disseminate a report based on the findings. The department is authorized to convene a study council to assist with the epidemiological study of the disease.

The Agency for Health Care Administration is directed to conduct a chronic disease study on Medicaid coverage for therapies, and medically related supplies. The study is to include a review of the care and treatment in an outpatient or home health setting, Medicaid patient services, Medicaid reimbursement policies and quality of life for patients affected by this disease. The agency is required to conduct and analyze such data and develop and disseminate a report based on the findings.

The bill proposes that as a result of these studies, the state will gain a better understanding of epidemiologic factors and certain disease related conditions that affect the IBD patient population, and will be better informed to determine if current Medicaid coverage and reimbursement policies are sufficient to address these conditions.

### C. SECTION DIRECTORY:

Section 1. Provides a title and refers to the act as the "Inflammatory Bowel Disease Research Act."

Section 2. Requires the Department of Health and the Agency for Health Care Administration to conduct separate studies on inflammatory bowel disease; authorizes the department to convene a study council; directs the DOH and the AHCA to report their findings to the Governor, the Senate President and the Speaker of the House of Representatives by February 1, 2006.

Section 3. Provides for an effective date of July 1, 2005.

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

### A. FISCAL IMPACT ON STATE GOVERNMENT:

#### 1. Revenues:

None

#### 2. Expenditures:

The Department of Health estimates the following expenditures:

	<b>2005-2006</b>
Contract Epidemiologist	\$27,000
Two face-to-face Advisory Committee Meetings Two telephone Conferences	6,000
Travel Expenses	4,000
Epidemiological study	30,000
<b>TOTAL</b>	<b>\$57,000</b>

The Agency for Health Care Administration estimates that the study assigned to the agency can be conducted within existing resources.

**B. FISCAL IMPACT ON LOCAL GOVERNMENTS:**

1. Revenues:

None.

2. Expenditures:

None.

**C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:**

None.

**D. FISCAL COMMENTS:**

Depending on the depth of the research within the epidemiological study, the cost of the study conducted by the Department of Health could range from \$57,000 to \$100,000.

House Bill 1885 (General Appropriations Act) contains \$75,000 in nonrecurring Tobacco Settlement Trust funds to support this legislation.

**III. COMMENTS**

**A. CONSTITUTIONAL ISSUES:**

1. Applicability of Municipality/County Mandates Provision:

This bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds. The bill does not reduce the percentage of a state tax shared with counties or municipalities. This bill does not reduce the authority that municipalities have to raise revenue.

2. Other:

None.

**B. RULE-MAKING AUTHORITY:**

Rule-making authority is not needed to implement the provisions of this bill.

**C. DRAFTING ISSUES OR OTHER COMMENTS:**

None.

**IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES**

On March 23, 2005, the House Health Care General Committee recommended a strike everything amendment which changed the bill as follows:

- Directs the Department of Health in conjunction with the University of Florida to conduct an Inflammatory Bowel Disease (IBD) epidemiology study.
- Provides that the Department of Health is authorized to convene a study group to assist with the IBD study and provides for the composition of the study group.
- Revises the date that the Department of Health and the Agency for Health Care Administration is directed to submit a report of their findings to February 1, 2006.

On April 11, 2005, the House Health Care Appropriations Committee recommended one amendment, which was a technical amendment correcting name from University of Florida College of Medicine to University of Florida College of Public Health and Health Professions.

The bill was reported as a committee substitute. This analysis reflects the bill as amended.