

Testimony
House Bill 1359 – Department of Human Services
House Human Services Committee
Representative Weisz, Chairman
January 16, 2019

Chairman Weisz and members of the House Human Services Committee, I am Tammy Zachmeier, Utilization Review Administrator for the Medical Services Division in Department of Human Services (Department). I am providing testimony today regarding the Department's opposition to House Bill 1359.

The Medicaid Utilization Review staff is responsible for making coverage decisions for medical treatment and services. This involves researching and assuring that the treatment is consistent with generally accepted professional medical standards, reviewing literature for evidence-based practices, reviewing coverage determinations by other payers, reviewing Medicare's national and local coverage determinations, and researching for approval of a medical device by the U.S. Food & Drug Administration (FDA).

Medical Services defines coverage parameters for specific services and may limit coverage to a specific diagnosis when appropriate. Hyperbaric Oxygenation Treatment (HBOT) is covered by ND Medicaid for conditions such as carbon monoxide poisoning, infection of skin or bone causing tissue death, nonhealing wounds such as diabetic foot ulcers, radiation injury, and arterial gas emboli. The use of HBOT is covered for these

conditions because they are approved by the FDA and accepted professional medical practices.

The Department opposes House Bill 1359 for the following reasons:

- The treatment is not consistent with generally accepted professional medical standards.
- Medicare does not pay for HBOT for traumatic brain injury (TBI). There are no national or local coverage determinations.
- The FDA has not approved HBOT for TBI.

In addition, while we have sought guidance, we do not have specific approval from the Centers for Medicare and Medicaid Services (CMS) whether we will receive federal funds for payment of claims for HBOT for TBI. Also, it is uncertain if there is potential Department liability for covering a service that is not consistent with accepted professional standards and not approved by the FDA.

House Bill 1359 appears to require the Department to conduct research, analyze data, and report results. The Department does not employ experts in conducting research. If the Department is directed by legislation to cover HBOT for TBI, the Department can report information on expenditures for the treatment and related services; however, reporting on treatment outcomes would have to be outsourced. Given the number of ND Medicaid recipients with a diagnosis of TBI, and the scope of data collection and expertise that would be required with a contractor, the proposed appropriation of \$335,000 in House Bill 1359 would be insufficient. The Department estimates a fiscal impact of \$4,898,550 for the 2019-2021 biennium (\$2,449,275 federal funds; \$2,449,275 state funds).

This concludes my testimony and I would address any questions that you have.

Estimate per person

Total Eligible Population*	Utilization Rate**	Estimated population for service				
2500	20%	500	2019 - 2021 Biennium			
500	20%	100	Used the average of SFY 2017 and SFY 2018 new cases			
Services / Treatment plan						
	Reimb. Code	Rate as of 1/2019	Units	Total	Note	
Exam	CPT 99204	\$ 161.84	1	\$ 161.84		
Hyperbaric oxygen under pressure, full body chamber	G 0277	\$ 84.65	40	\$ 3,386.00	30 minute sessions, two per day, 20 hours of treatment, 5 days a week for 4 weeks	
Physician attendance and supervision of hyperbaric oxygen therapy	99183	\$ 107.42	20	\$ 2,148.40		
Follow up post-treatment exam	99214	\$ 106.35	1	\$ 106.35		
Visual Field Exam	92082	\$ 48.37	2	\$ 96.74		
Neuropsychological testing	96118	\$ 97.26	2	\$ 194.52		
				\$ -		
Travel***		\$ 0.53	6,668	\$ 3,534.04		
				\$ -		
Subtotal Average cost per recipient^				\$ 9,627.89		

Total estimate for 2019-2021 Biennium

	Total	State	Federal	Population Served
2019 - 2021 Biennium^^	\$ 4,898,550.00	\$ 2,449,275.00	\$ 2,449,275.00	500

*Total population was calculated using claims data from ND Medicaid members with the following diagnosis codes: ICD 9: 850.0 – 854.19; ICD 10: S06.0X0A - S06.9X9A, S06.0X0S - S06.9X9S, F07.81.

**It is estimated that 20 percent of patients with an eligible diagnosis would participate in treatment.

***The estimates are based on all patients receiving treatment in Fargo. There is also a hyperbaric oxygenation treatment provider in Jamestown, but currently that provider only treats patients with non-healing wounds.

^Estimates are based on the service being available statewide to Medicaid members who meet the qualifying criteria. If availability of services were limited to a specific geographic area, fiscal estimates would change and ND Medicaid would need to apply for a waiver from the Centers for Medicare and Medicaid Services (CMS) to implement the services with a limited (not statewide) population. Developing the waiver application and receiving waiver approval from CMS would delay implementation of services.

^^Estimates do not include any study-related costs, including reporting on treatment outcomes.