

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Empower Families: This bill supports families' efforts to have access to information related to the Inflammatory Bowel Disease (IBD) to assist families in the management of this disease.

B. EFFECT OF PROPOSED CHANGES:

This bill directs the Department of Health 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 would be required to conduct and analyze such data and develop and disseminate a report based on the findings.

This bill also directs the Agency for Health Care Administration 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 would be 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.

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. (IFFGD). Estimates that approximately 10-20 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.

Irritable 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 108th 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.

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 and report their findings to the Governor, the Senate President and the Speaker of the House of Representatives by January 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 with this bill:
1st Year Start Up

Contract Epidemiologist	\$ 27,000
Two face-to-face Advisory Committee Meetings	6,000
Two telephone Conferences (Conf. room and conf. call charges)	
Travel Expenses for committee members and Epidemiologist	4,000
Epidemiological study (Collection and Analysis, Report Development)	30,000
TOTAL	\$ 57,000

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.

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 action requiring the expenditure of funds.

2. Other:

None

B. RULE-MAKING AUTHORITY:

Rule-making authority is sufficient to implement the provisions of this bill.

C. DRAFTING ISSUES OR OTHER COMMENTS:

IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES