



HOUSE OF REPRESENTATIVES

ORS 171.875 Report for HB 4128

As Required by ORS 171.875 this report is provided to accompany HB 4128 proposing mandated coverage. The following assess both the social and financial effects of the coverage in the manner provided in ORS 171.880, including the efficacy of the treatment proposed.

To what extent is the treatment or service used by the general population of Oregon?

In Oregon, 68 cases of cleft lip/palate, the most common of craniofacial abnormalities, amongst newborns were reported in 2007. With the addition of other craniofacial abnormalities we are thinking around 80 patients will benefit.

To what extent is the insurance coverage already generally available in Oregon?

The majority of insurance coverage for craniofacial abnormalities only covers the surgeries required for patients born with these types of birth defects, but does not cover other medically necessary interventions, such as required dental and orthodontia.

What proportion of the population of Oregon already has such coverage?

The Oregon Health Plan already covers dental and orthodontia for these patients, this bill only applies to private insurance plans, the majority of which do not currently cover these services.

To what extent does the lack of coverage result in financial hardship in Oregon?

A child born with a cleft frequently requires several different types of services over a number of years with treatment often beginning in the first months of childhood. This coordinated care is provided by interdisciplinary cleft palate/craniofacial teams comprised of professionals from a variety of health care disciplines typically including specialists in surgery, dental/orthodontic care, speech therapy, psychiatry, and other fields all of whom work together on the child's total rehabilitation. The treatment process is intensive and is not covered by all health insurance providers. Because most insurance plans currently only cover the medical procedures, such as the surgery required to initially fix a craniofacial abnormality, it remains the burden of the family to cover all the other medically necessary interventions needed by the patients. When these other medically necessary interventions become too costly to bear treatment is delayed, often to the detriments of the patient.



HOUSE OF REPRESENTATIVES

What evidence exists to document the medical need in Oregon for the proposed treatment or services?

The standard of care as set forth by the American Cleft Palate-Craniofacial Association Patients with Craniofacial anomalies require orthodontic services as a direct result of the medical condition and as an integral part of the rehabilitative process. The passage of this bill will mean more Oregon families with children born with craniofacial abnormalities will gain access to more of the treatment they need to lead normal fulfilling lives. Although this bill will not provide complete coverage for all the interdisciplinary coordinated care that is needed for patients, it decreases the financial burden.

To what extent is the coverage expected to increase or decrease the cost of treatment or services?

When coordination of treatment occurs between the surgeon and dental specialist, several procedures may be completed during the same anesthesia. For example, restorations or dental extractions can be scheduled at the same time as other surgery, decreasing the cost of treatment.

To what extent is the coverage expected to increase the use of the treatment or services?

As most craniofacial abnormality patients require some kind of dental or orthodontia intervention, we expect an increase in the use of treatment because the financial burden that often delays care will be decreased. More families will be able to get their children more of the care that they need.

To what extent is the mandated treatment or services expected to be a substitute for more expensive treatment or services?

When care for craniofacial abnormalities are not provided in a timely fashion, the long term rate of failure increases, often times requiring repeat surgery that could have been avoided had all medically necessary interventions been provided originally. The cost of repeat surgery is greater than other medically necessary interventions, both financially and for the burden put on the patient who is often very young.

To what extent is the coverage expected to increase or decrease the administrative expenses of insurance companies and the premium and administrative expenses of policyholders?

**VAL HOYLE
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HOUSE OF REPRESENTATIVES

Regence Blue Cross Blue Shield and Oregon Dental Association have reported that their administrative costs will be minimal.

What will be the effect of this coverage on the total cost of health care?

This coverage aligns with current policy and will be absorbed within their current financial system.