REPORT OF THE
SPECIAL ADVISORY COMMISSION ON MANDATED
HEALTH INSURANCE BENEFITS

HOUSE BILL 422
REIMBURSEMENT TO DIETITIANS AND NUTRITIONISTS

TO THE GOVERNOR AND
THE GENERAL ASSEMBLY OF VIRGINIA

COMMONWEALTH OF VIRGINIA
RICHMOND
2003

January 10, 2003

To: The Honorable Mark R. Warner
Governor of Virginia
and
The General Assembly of Virginia

The report contained herein has been prepared pursuant to §§ 2.2-2504 and 2.2-2505 of the Code of Virginia.

This report documents a study conducted by the Special Advisory Commission on Mandated Health Insurance Benefits to assess the social and financial impact and the medical efficacy of House Bill 422 regarding a proposed mandate of coverage for direct reimbursement to dietitians and nutritionists.

Respectfully submitted,

Stephen H. Martin
Chairman
Special Advisory Commission on
Mandated Health Insurance Benefits

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INTRODUCTION

The House Committee on Commerce and Labor referred House Bill 422 to the Special Advisory Commission on Mandated Health Insurance Benefits (Advisory Commission) for review in 2002. House Bill 422 was introduced by Delegate Michele B. McQuigg.

The Advisory Commission held a public hearing on December 11, 2002 in Richmond to receive comments on House Bill 422. In addition to the bill's chief patron, three certified dietitians spoke in favor of the proposed bill. A representative of the Virginia Association of Health Plans (VAHP) spoke in opposition to the proposed legislation.

One of the dietitians who spoke in favor of the bill at the public hearing also provided written statements in favor of the bill. VAHP provided written comments that were in opposition to House Bill 422.

SUMMARY OF PROPOSED LEGISLATION

House Bill 422 amends and reenacts §§ 38.2-3408 and 38.2-4221 of the Code of Virginia to require that if an accident and sickness insurance policy provides reimbursement for any service that may be legally performed by a person licensed in this Commonwealth as a chiropractor, optometrist, optician, professional counselor, psychologist, clinical social worker, podiatrist, physical therapist, chiropodist, clinical nurse specialist who renders mental health services, audiologist, speech pathologist, certified nurse midwife, marriage and family therapist or licensed acupuncturist, *or by a person authorized to hold himself out as a dietitian or nutritionist pursuant to § 54.1-2731,* reimbursement under the policy shall not be denied because the service is rendered by the ~~licensed~~ practitioner. House Bill 422 would add dietitians and nutritionists to the aforementioned mentioned list of practitioners.

Section 38.2-4221 would be changed to read:

> A nonstock corporation shall not fail or refuse, either directly or indirectly, to allow or to pay to a subscriber for all or any part of the health services rendered by any doctor of podiatry, doctor of chiropody, optometrist, optician, chiropractor, professional counselor, psychologist, physical therapist, clinical social worker, clinical nurse specialist who renders mental health services, audiologist, speech pathologist, certified nurse midwife, marriage and family therapist or licensed acupuncturist licensed to practice in Virginia, *or person authorized to hold himself out as a dietitian or nutritionist pursuant to § 54.1-2731,* if the services rendered (i) are services provided for by the subscription contract and (ii) are services which the doctor of podiatry, doctor of chiropody,

optometrist, optician, chiropractor, professional counselor, psychologist, physical therapist, clinical social worker, clinical nurse specialist who renders mental health services, audiologist, speech pathologist, certified nurse midwife, marriage and family therapist or licensed acupuncturist is licensed to render in this Commonwealth *or which the dietitian or nutritionist is permitted to render in this Commonwealth.*

The patron of House Bill 422 prepared an amendment to the bill to require reimbursement to dietitians and nutritionists only when providing services "in connection with care for diabetes." The Advisory Commission reviewed the amended legislation.

TECHNICAL CONCERNS

The bill, as amended, would require reimbursement of diabetes services provided by dietitians and nutritionists. However, proponents expressed concerns regarding the use of only hospital or institutional-based dietitians and nutritionists who are part of the Managed Care Health Insurance Plan (MCHIP) network.

The existing language in the diabetes mandate (§ 38.2-3418.10*)* states that the MCHIP can limit diabetes services to only those within its own network of providers, as long as there are a sufficient number of providers to meet the needs of services, and the providers meet the educational and credentialing prerequisites.

There appears to be a conflict with the proponents' concerns and the existing diabetes mandate.

DIETITIANS AND NUTRITIONISTS

Dietitians and nutritionists organize and plan the food of nutrition programs and oversee the preparation and serving of meals. They seek to prevent illness and disease by enhancing diet modifications, and by promoting healthy eating habits. Some dietitians run food service systems for hospitals and schools. The U.S. Department of Labor (DOL) web site differentiates between the 4 major types of dietitians; clinical, community, management, and consultant dietetics.

The DOL describes clinical dietitians as those who "provide nutritional services for patients in institutions such as hospitals and nursing homes. They assess patients' nutritional needs, develop and implement nutrition programs, and evaluate and report the results. They also confer with doctors and other healthcare professionals in order to coordinate medical and nutritional needs. Some clinical dietitians specialize in the management of overweight patients,

care of the critically ill, or of renal (kidney) and diabetic patients. In addition, clinical dietitians in nursing homes, small hospitals, or correctional facilities also may manage the food service department."

Community dietitians "counsel individuals and groups on nutritional practices designed to prevent disease and promote good health. Working in places such as public health clinics, home health agencies, and health maintenance organizations, they evaluate individual needs, develop nutritional care plans, and instruct individuals and their families. Dietitians working in home health agencies provide instruction on grocery shopping and food preparation to the elderly, individuals with special needs, and children."

Management dietitians "oversee large-scale meal planning and preparation in healthcare facilities, company cafeterias, prisons, and schools. They hire, train, and direct other dietitians and food service workers; budget for and purchase food, equipment, and supplies; enforce sanitary and safety regulations; and prepare records and reports."

Consultant dietitians "work under contract with healthcare facilities or in their own private practice. They perform nutrition screenings for their clients, and offer advice on diet-related concerns such as weight loss or cholesterol reduction. Some work for wellness programs, sports teams, supermarkets, and other nutrition-related businesses. They may consult with food service managers, providing expertise in sanitation, safety procedures, menu development, budgeting, and planning."

The American Dietetic Association ADA sets the educational standards for one to become a registered dietitian. The prerequisites are:

Complete a minimum of a bachelor's degree at a US regionally accredited university or college and course work approved by the Commission on Accreditation for Dietetics Education (CADE) of The American Dietetic Association (ADA).

Complete a CADE-accredited or approved supervised practice program at a healthcare facility, community agency, or a foodservice corporation, or combined with undergraduate or graduate studies. Typically, a practice program will run six to twelve months in length.

Pass a national examination administered by the Commission on Dietetic Registration (CDR).

Complete continuing professional educational requirements to maintain registration.

REGULATION OF DIETITIANS AND NUTRITIONISTS

Virginia Code § 54.1-2731 defines the requirements for a dietitian or nutritionist to use the title "dietitian" or "nutritionist." These requirements are maintained by the Board of Health Professions under the Virginia Department of Health Professions. To use the title "dietitian" or "nutritionist" an individual must:

1. Have (i) received a baccalaureate or higher degree in nutritional sciences, community nutrition, public health nutrition, food and nutrition, dietetics or human nutrition from a regionally accredited college or university and (ii) satisfactorily completed a program of supervised clinical experience approved by the Commission on Dietetic Registration of the American Dietetic Association;

2. Have active registration through the Commission on Dietetic Registration of the American Dietetic Association;

3. Have an active certificate of the Certification Board for Nutrition Specialists by the Board of Nutrition Specialists;

4. Have an active accreditation by the Diplomats or Fellows of the American Board of Nutrition;

5. Have a current license or certificate as a dietitian or nutritionist issued by another state; or

6. Have the minimum requisite education, training, and experience determined by the Board of Health Professions appropriate for such person to hold himself out to be, or advertise or allow himself to be advertised as, a dietitian or nutritionist.

The Department of Health Professions does not regulate the field of dietitians and or nutritionists. It only gives them "title protection" to call themselves "dietitians" or "nutritionists" after they have met the prerequisites listed above. The Department of Health Professions had no data on the number of dietitians or nutritionists operating in the Commonwealth of Virginia.

DIABETES

The American Diabetes Association reports that diabetes is "a disease in which the body does not produce or properly use insulin. Insulin is a hormone that is needed to convert sugar, starches, and other food into energy needed for daily life. The cause of diabetes is a mystery, although both genetics and environmental factors such as obesity and lack of exercise appear to play roles. "

There are two major types of diabetes. Type 1 diabetes, as described by the American Diabetes Association, is a disease in which the body does not produce any insulin, most often occurring in children and young adults. People with type 1 diabetes must take daily insulin injections to stay alive. Type 1 diabetes accounts for 5 to 10 percent of diabetes. Type 2 diabetes is a metabolic disorder resulting from the body's inability to make enough, or properly use, insulin. It is the most common form of the disease. Type 2 diabetes accounts for 90 to 95 percent of diabetes.

Another type of diabetes is called Pre-diabetes. The American Diabetes Association describes Pre-diabetes as "a condition that occurs when a person's blood glucose levels are higher than normal but not high enough for a diagnosis of type 2 diabetes." The American Diabetes Association estimates that there are at least 16 million Americans who have pre-diabetes, in addition to the 17 million with diabetes.

Many people may have diabetes and not know it because of the type of symptoms the disease presents. According to American Diabetes Association, some of the more common symptoms for diabetes are: frequent urination, excessive thirst, extreme hunger, unusual weight loss, increased fatigue, irritability, and blurry vision.

CURRENT INDUSTRY PRACTICES

The State Corporation Commission's Bureau of Insurance surveyed sixty of the top writers of accident and sickness insurance in Virginia in March 2002, regarding the bills to be reviewed by the Advisory Commission in 2002. Fifty companies responded by the deadline. Fourteen companies indicated that they have little to no, applicable health insurance business in force in Virginia. Of the remaining 36 companies, 16 companies reported that they provided the coverage required by House Bill 422 under their standard benefit package. Nineteen companies responded that they did not provide the coverage under their standard benefit package. One company responded that the mandate only affected PPO plans and that they are an HMO. These plans were responding to a survey posed on the original language of House Bill 422.

Respondents to the Bureau of Insurance survey provided cost figures of between $.45 and $6.00 per month per standard individual policy. Five companies provided cost figures as percentages of annual premiums. Cost figures were between .25%, and 3%. Cost figures were between $.01 and $4.15 per month per standard group certificate, to provide the coverage required by House Bill 422. Six companies provided cost figures as percentages of annual premiums. Cost figures were between .1% and 3%. Insurers providing coverage on an optional basis provided cost figures from $.02 to $6.00 per month per individual policy, and between $.02 to $4.15 per month per group certificate.

Cost figures as percentages of annual premiums for optional coverage were between .5 % and 3% per month, per individual policy and .5% and 3% per month, per group policy.

An additional survey was developed to gather data regarding coverage of reimbursement of dietitians and nutritionists when providing diabetes services. The survey was sent to the 36 companies that responded to the original survey. Thirty-one companies responded by November. The second survey was comprised of five questions but some respondents were unable to answer all of the questions.

Question one asked the company if it offered any PPO plans. Seventeen companies responded that they did offer PPO plans. Thirteen companies responded that they did not offer PPO plans. One company responded "not applicable" for the entire survey. Question two asked if the company did include PPO plans, did they include private practice dietitians or nutritionists for diabetes self-management training and education services, in their network. Ten companies responded that they do not include private practice dietitians and nutritionists diabetes self-management training and education services. Seven companies responded that they did include private practice dietitians and nutritionists for diabetes self-management training and education services. One company did not answer the question.

Question three asked the company if it offered indemnity plans, and if so, if they indemnify private practice dietitians and nutritionists for diabetes self-management training and education services. Thirteen companies responded no, 10 companies responded yes, and 4 companies responded "not applicable." Question four asked the average cost per visit charged by private practice dietitians and nutritionists for diabetes self-management training and education services. Eleven companies responded to this question, and the costs ranged from $34.31 to $136. Question five asked the average cost per visit for diabetes self-management training and education services provided in hospital and other settings. Fifteen companies responded and the costs ranged from $31.98 to $220.

SOCIAL IMPACT

The DOL reported that there were 49,000 dietitians and nutritionists in the U.S. in 2000. More than half of them worked in either hospitals, nursing homes, or offices or clinics of physicians. About 10% of dietitians and nutritionists were employed by state and local governments, including public health departments and other public health related areas. The remaining job areas that dietitians and nutritionists worked in were; restaurants, social service agencies, residential care facilities, diet workshops, physical fitness facilities, school systems, colleges and universities, and as employees of the federal government.

Dietitians and nutritionists median annual income was $38,450 in 2000. The lowest 10% earned below $23,680 and the highest 10% earned more than $54,940 a year. The middle 50% earned between $31,070 and $45,950 per year. The median annual incomes of dietitians and nutritionists working in hospitals (the industry that employs the highest numbers of dietitians and nutritionists) was $39,450.

The job outlook for dietitians and nutritionists was that the field would grow as fast as the average for all occupations through the year 2010, as reported by the DOL. This was due to an increasing emphasis being placed upon disease prevention by improving dietary habits.

There are approximately 17 million people in the U.S., or 6.2% of the population, who have diabetes. About 5.9 of the 17 million have no idea that they have diabetes. Every day 2,700 people are diagnosed with diabetes and over 1 million people 20 years of age and older will be diagnosed this year. Diabetes is the fifth deadliest disease in the United States. In 1999, diabetes contributed to almost 210,000 deaths. Diabetes is a chronic disease that has no cure.

The American Diabetes Association also reported that in 1999, approximately 450,000 deaths occurred among people aged 25 years and older with diabetes. This represents about 19% of all deaths in the United States in people aged 25 years and older. In 1999, diabetes was the sixth leading cause of death listed on U.S. death certificates.

FINANCIAL IMPACT

Financial costs reported from the American Diabetes Association indicate that the total annual economic cost of diabetes in 1997 was estimated to be $98 billion. That includes $44 billion in direct medical and treatment costs and $54 billion for indirect costs attributed to disability and mortality. In 1997, total health expenditures incurred by people with diabetes amounted to $77.7 billion including health care costs not resulting from diabetes. The per capita costs of health care for people with diabetes amounted to $10,071, while health care costs for people without diabetes amounted to $2,699 in 1997. Approximately $27.5 billion was spent for inpatient hospital care and $5.5 billion for nursing home care.

MEDICAL EFFICACY

As mentioned earlier, dietitians and nutritionists provide a number of services. They perform nutrition screenings for their clients, and offer advice on diet-related concerns such as weight loss or cholesterol reduction. They assess patients' nutritional needs, develop and implement nutrition programs, and

evaluate and report the results. They then confer with doctors and other healthcare professionals in order to coordinate medical and nutritional needs. They also seek to prevent illness and disease by enhancing diet modifications, and promoting healthy eating habits. Some clinical dietitians specialize in the management of overweight patients, care of the critically ill, or of renal (kidney) and diabetic patients.

Also, as mentioned earlier, diabetes is a disease in which the body does not produce or properly use insulin. Insulin is a hormone that is needed to convert sugar, starches and other food into energy needed for daily life. The cause of diabetes continues to be a mystery, although both genetics and environmental factors such as obesity and lack of exercise appear to play roles. There are two major types of diabetes, type 1 and type 2.

Many people may have diabetes and not know it because of the type of symptoms the disease portrays. Some of the more common symptoms for diabetes are; frequent urination, excessive thirst, extreme hunger, unusual weight loss, increased fatigue, irritability, and blurry vision. Complications from diabetes have effects on several other medical conditions including; heart disease, strokes, high blood pressure, blindness, kidney disease, nervous system disorder, amputations, dental disease, and complications with pregnancy.

The American Dietetic Association recommends using dietetic professionals to help with diabetes. It states that a dietetic professional can help develop an eating plan that is right for each person. The American Dietetics Association refers to dietetic professionals as the "authority on the role of food and nutrition in health and have the education and experience to prove it."

SIMILAR LEGISLATION IN OTHER STATES

Information was obtained from other insurance departments, the National Association of Insurance Commissioners, and the National Insurance Law Service to determine if requirements are imposed in other states that are similar to House Bill 422, as amended by the patron. Three states, Maryland, New York, and Oklahoma, currently mandate reimbursement to dietitians and nutritionists as providers of diabetes services.

REVIEW CRITERIA

SOCIAL IMPACT

a. The extent to which the treatment or service is generally utilized by a significant portion of the population.

There are approximately 17 million people in the U.S., or 6.2% of the population, who have diabetes. About 5.9 of the 17 million have no idea that

they have diabetes. Every day 2,700 people are diagnosed with diabetes and over 1 million people 20 years of age and older will be diagnosed this year. Diabetes is the fifth deadliest disease in the United States. In 1999, diabetes contributed to almost 210,000 deaths. Diabetes is a chronic disease that has no cure.

One proponent who spoke in favor of House Bill 422 at the public hearing, estimated that there are about 253,000 people in Virginia who have been diagnosed with diabetes. She also estimated that there are another 126,000 who have diabetes and have not been diagnosed.

b. The extent to which insurance coverage for the treatment or service is already available.

Of the 36 companies that completed the Bureau's survey, 16 companies reported that they provided the coverage required by House Bill 422, under their standard benefit package. Nineteen companies responded that they did not provide the coverage under their standard benefit package. One company responded that the mandate only affected PPO plans and they are an HMO. These plans were responding to a survey posed on the original language of House Bill 422.

c. If coverage is not generally available, the extent to which the lack of coverage results in persons being unable to obtain necessary health care treatments.

Coverage for diabetes, including benefits for the equipment, supplies and outpatient self-management training and education, including medical nutrition therapy, required for the treatment of insulin-dependent diabetes, insulin-using diabetes, gestational diabetes and non-insulin-using diabetes is a mandated benefit under the Virginia Insurance Code.

The coverage for these benefits must be provided by a certified, registered or licensed health care professional. A managed care health insurance plan, as defined in Chapter 58 (§ 38.2-5800 et seq.) of this title, may require such health care professional to be a member of the plan's provider network, provided that such network includes sufficient health care professionals who are qualified by specific education, experience, and credentials to provide the covered benefits.

d. If the coverage is not generally available, the extent to which the lack of coverage results in unreasonable financial hardship on those persons needing treatment.

The language of the diabetes mandate allows MCHIPs to limit diabetes services to the providers within its own network, as long as there are a sufficient

number of providers to meet the needs of services, and the providers meet the educational and credential prerequisites.

The proponents state that currently, if a patient is referred to some dietitians (those not in the patient's insurance network) by their physician, the costs are heavily imposed upon the patient. The patient's insurer may impose financial penalties by increasing deductibles and copayments for going out-of-the network depending on the type of coverage the individual has. Also, they state that seeking help from some private practice dietitians requires some patients to pay for the services out-of-pocket and wait for financial reimbursement.

e. The level of public demand for the treatment or service.

There are approximately 17 million people in the U.S., or 6.2% of the population, who have diabetes. About 5.9 of the 17 million have no idea that they have diabetes. Every day 2,700 people are diagnosed with diabetes and over 1 million people 20 years of age and older will be diagnosed this year. Diabetes is the fifth deadliest disease in the United States. In 1999, diabetes contributed to almost 210,000 deaths. Diabetes is a chronic disease that has no cure.

One proponent who spoke in favor of House Bill 422 at the public hearing, estimated that there are about 253,000 people in Virginia who have been diagnosed with diabetes. She also estimated that there are another 126,000 who have diabetes and have not been diagnosed.

f. The level of public demand and the level of demand from providers for individual and group insurance coverage of the treatment or service.

Three registered dietitians who provide diabetes services spoke at the public hearing. All three spoke in favor of House Bill 422. Among their reasons for supporting the proposed legislation was the increase in access to care for patients who need diabetes services. One of the proponents suggested that patients would prefer receiving treatment from dietitians in a private setting rather than an institutional setting. They argued that the patients feel more comfortable in a private setting, where they can seek diabetes counseling and education in a one-on-one situation, rather than group education.

g. The level of interest of collective bargaining organizations in negotiating privately for inclusion of this coverage in group contracts.

No information was received from collective bargaining organizations addressing potential interest in negotiating privately for inclusion of this coverage in group contracts.

h. Any relevant findings of the state health planning agency or the appropriate health system agency relating to the social impact of the mandated benefit.

No information or relevant findings of the state health planning agency or the appropriate health system agency relating to the social impact of this mandated benefit was presented during this review.

FINANCIAL IMPACT

a. The extent to which the proposed insurance coverage would increase or decrease the cost of treatment or service over the next five years.

Costs are not expected to significantly increase or decrease because of the proposed bill.

b. The extent to which the proposed insurance coverage might increase the appropriate or inappropriate use of the treatment or service.

Private practice dietitians argue that direct reimbursement of services would allow patients greater access to providers of diabetes services. One proponent argued that using the services of dietitians currently in the insurer's provider network usually means seeking services in a hospital or institutional setting. This could require patients in rural areas to travel an hour or more to the local hospital/institutional setting. They argued that it was more logical to directly reimburse dietitians and nutritionists for diabetes services, since they are normally found in each locality and therefore closer for the patients.

VAHP's representative stated at the public hearing that, while VAHP believes that most dietitians and nutritionists are able to perform diabetes services, it has concerns with a lack of licensure in the Commonwealth of Virginia. VAHP noted that dietitians and nutritionists are only given title protection to call themselves dietitians and nutritionists, but are not licensed in Virginia. VAHP also stated that the system of titling dietitians and nutritionists was vague and did not qualify all dietitians and nutritionists to be providers of diabetes services. VAHP stated that the prerequisites to be titled in the state were based on the accreditation and requirements of national boards and organizations, but nowhere did the prerequisites mention a licensing process.

c. The extent to which the mandated treatment or service might serve as an alternative for more expensive or less expensive treatment or service.

Services for diabetes are mandated and already being provided by dietitians in institutional and private practice settings. The proposed legislation

could alter the method of payment or reimbursement to dietitians for services provided for diabetes. If dietitians were directly reimbursed by insurers, it would not appear to increase or decrease the cost of services.

d. The extent to which the insurance coverage may affect the number and types of providers of the mandated treatment or service over the next five years.

If the proposed bill becomes law, it appears that the number of providers providing services for diabetes may increase. This is because more dietitians and nutritionists would be able to provide services for diabetes and be directly reimbursed. Patients may have the choice, under some health insurance plans, to receive diabetes services out-of-network, and the providers, dietitians and nutritionists, would be directly reimbursed by insurers.

However, the language of the diabetes mandate allows MCHIPs to limit diabetes services to the providers within its own network, as long as there are a sufficient number of providers to meet the needs of services, and the providers meet the educational and credentialing prerequisites.

e. The extent to which insurance coverage might be expected to increase or decrease the administrative expenses of insurance companies and the premium and administrative expenses of policyholders.

Respondents to the Bureau of Insurance survey provided cost figures of between $.45 and $6.00 per month per standard individual policy. Five companies provided cost figures as percentages of annual premiums. Cost figures were between .25%, and 3%. Cost figures were between $.01 and $4.15 per month per standard group certificate, to provide the coverage required by House Bill 422. Six companies provided cost figures as percentages of annual premiums. Cost figures were between .1% and 3%. Insurers providing coverage on an optional basis provided cost figures from $.02 to $6.00 per month per individual policy, and between $.02 to $4.15 per month per group certificate. Cost figures as percentages of annual premiums for optional coverage were between .5 % and 3% per month, per individual policy and .5% and 3% per month, per group policy.

VAHP argued at the public hearing that there would be an increase in premiums because insurance companies would have to develop additions to their network of providers. These new costs would include the background and credential research on the providers added to the network.

f. The impact of coverage on the total cost of health care.

Proponents suggested that dietitians and nutritionists provide services that will help contain the cost of diabetes services in the future because they provide

counseling and education that helps patients treat their disease before it develops into co-morbidities.

Opponents suggested that if dietitians and nutritionists were mandated for direct reimbursement, insurance companies would have added costs because of the cost of research and credentialing of new additions to the network.

MEDICAL EFFICACY

a. The contribution of the benefit to the quality of patient care and the health status of the population, including the results of any research demonstrating the medical efficacy of the treatment or service compared to alternatives or not providing the treatment or service.

The American Dietetic Association recommends using dietetic professionals to help with diabetes. It states that a dietetic professional can help develop an eating plan that is right for each person. The American Dietetics Association refers to dietetic professionals as the "authority on the role of food and nutrition in health and have the education and experience to prove it."

One proponent who spoke at the public hearing stated diabetes is a disease that has early indicators for treatment. She stated that diabetes is a progressive disease that is linked with other diseases and medical conditions, and that dietitians and nutritionists have proven to be a source to help diabetes patients to treat their diabetes.

b. If the legislation seeks to mandate coverage of an additional class of practitioners:

1) The results of any professionally acceptable research demonstrating the medical results achieved by the additional class of practitioners relative to those already covered.

Proponents contend that these practitioners are qualified and more accessible to provide services because they may be geographically closer than providers in a hospital or institutional setting. Proponents also contend that these practitioners are completely capable and credible in providing services for diabetes patients. Also, The American Dietetic Association recommends using dietetic professionals to help with diabetes. It states that a dietetic professional can help develop an eating plan that is right for each person. The American Dietetics Association refers to dietetic professionals as the "authority on the role of food and nutrition in health and have the education and experience to prove it."

2) The methods of the appropriate professional organization that assure clinical proficiency.

The American Dietetic Association ADA sets the educational standards for one to become a registered dietitian. These standards include an educational degree or course work approved by the Commission on Accreditation for Dietetics Education (CADE) of the ADA, a CADE accredited or supervised program, passing a national exam, and completing continuing professional education requirements.

EFFECTS OF BALANCING THE SOCIAL, FINANCIAL AND MEDICAL EFFICACY CONSIDERATIONS

a. The extent to which the benefit addresses a medical or a broader social need and whether it is consistent with the role of health insurance.

Proponents suggest that House Bill 422, mandating direct reimbursement to dietitians and nutritionists for diabetes services, addresses both a medical and broad social need. Proponents contend that these practitioners are qualified and more accessible to provide services because they may be geographically closer than providers in a hospital or institutional setting. Proponents state that patients may also feel more comfortable seeking diabetes services in a private setting rather than a hospital or institutional setting. They also contend that they are completely capable and credible in providing services for diabetes patients.

Opponents argue that dietitians and nutritionists are only given title protection to call themselves dietitians and nutritionists, but are not licensed in Virginia. They also stated that the system of titling dietitians and nutritionists is vague and does not qualify all dietitians and nutritionists to be providers of diabetes services. They stated that the prerequisites to be titled in the state are based on the accreditation and requirements of national boards and organizations, but nowhere do the prerequisites mention a licensing process.

b. The extent to which the need for coverage outweighs the costs of mandating the benefit for all policyholders.

Respondents to the Bureau of Insurance survey provided cost figures of between $.45 and $6.00 per month per standard individual policy. Five companies provided cost figures as percentages of annual premiums. Cost figures were between .25%, and 3%. Cost figures were between $.01 and $4.15 per month per standard group certificate, to provide the coverage required by House Bill 422. Six companies provided cost figures as percentages of annual premiums. Cost figures were between .1% and 3%. Insurers providing coverage on an optional basis provided cost figures from $.02 to $6.00 per month per individual policy, and between $.02 to $4.15 per month per group certificate. Cost figures as percentages of annual premiums for average on optional basis

were between .5 % and 3% per month, per individual policy and .5% and 3% per month, per group policy.

Proponents suggest that the services of the practitioners will save consumers' out-of-pocket financial costs. They state that patients who are more comfortable in a private setting can seek a private practice dietitian or nutritionist with the proposed legislation and not worry about out-of pocket payments because the dietitian or nutritionist would be directly reimbursed. One proponent also suggested that dietitians and nutritionists provide services that will help contain the cost of diabetes services in the future because they provide counseling and education that helps patients treat their disease before it develops into co-morbidities.

Opponents argue that insurance networks currently have a sufficient number of providers of diabetes services. They state that there is not a need to add more dietitians and nutritionists. They add that if they were mandated for direct reimbursement insurance companies would have added costs because of the cost of research and credentialing of new additions to the network.

c. The extent to which the need for coverage may be solved by mandating the availability of the coverage as an option for policyholders.

In the case of group coverage, the decision whether to select the optional coverage or not would lie with the master contract holder and not the individual insureds.

RECOMMENDATION

The Advisory Commission voted unanimously (11-0) to recommend against the enactment of House Bill 422.

CONCLUSION

The Advisory Commission concluded its review of House Bill 422 on January 8, 2003. The Advisory Commission believes that dietitians and nutritionists provide valuable services in training and education for diabetes services. The Advisory Commission believes, based on information it reviewed, that diabetes services are already being reimbursed by insurers for services provided by dietitians and nutritionists. The Advisory Commission was also hesitant to require direct reimbursement for dietitians and nutritionists because of a lack of licensure in Virginia. The Advisory Commission also believes that many of the issues presented at the public hearing by the dietitians, are related to inclusion of providers in managed health care insurance networks.