#### 105TH CONGRESS 1ST SESSION

# S. 249

To require that health plans provide coverage for a minimum hospital stay for mastectomies and lymph node dissection for the treatment of breast cancer, coverage for reconstructive surgery following mastectomies, and coverage for secondary consultations.

#### IN THE SENATE OF THE UNITED STATES

January 30, 1997

Mr. D'Amato (for himself, Ms. Snowe, Mrs. Feinstein, Mr. Hollings, Mr. Moynihan, Mr. Domenici, Mr. Faircloth, Ms. Moseley-Braun, Mr. Biden, Mr. Inouye, Mr. Murkowski, Mr. Dodd, Mr. Kerrey, Mr. Hatch, Mr. Gregg, Mr. Smith of New Hampshire, and Mr. Ford) introduced the following bill; which was read twice and referred to the Committee on Finance

# A BILL

To require that health plans provide coverage for a minimum hospital stay for mastectomies and lymph node dissection for the treatment of breast cancer, coverage for reconstructive surgery following mastectomies, and coverage for secondary consultations.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. SHORT TITLE.
- 4 This Act may be cited as the "Women's Health and
- 5 Cancer Rights Act of 1997".

#### SEC. 2. FINDINGS.

2	Congress finds that—
3	(1) the offering and operation

- (1) the offering and operation of health plans
   affect commerce among the States;
- 5 (2) health care providers located in a State 6 serve patients who reside in the State and patients 7 who reside in other States; and
- 8 (3) in order to provide for uniform treatment of 9 health care providers and patients among the States, 10 it is necessary to cover health plans operating in 1 11 State as well as health plans operating among the 12 several States.

## 13 SEC. 3. AMENDMENTS TO THE EMPLOYEE RETIREMENT IN-

## 14 COME SECURITY ACT OF 1974.

- 15 (a) In General.—Subpart B of part 7 of subtitle
- 16 B of title I of the Employee Retirement Income Security
- 17 Act of 1974 (as added by section 603(a) of the Newborns'
- 18 and Mothers' Health Protection Act of 1996 and amended
- 19 by section 702(a) of the Mental Health Parity Act of
- 20 1996) is amended by adding at the end the following new
- 21 section:

1	"SEC. 713. REQUIRED COVERAGE FOR MINIMUM HOSPITAL
2	STAY FOR MASTECTOMIES AND LYMPH NODE
3	DISSECTIONS FOR THE TREATMENT OF
4	BREAST CANCER, COVERAGE FOR RECON-
5	STRUCTIVE SURGERY FOLLOWING
6	MASTECTOMIES, AND COVERAGE FOR SEC-
7	ONDARY CONSULTATIONS.
8	"(a) Inpatient Care.—
9	"(1) IN GENERAL.—A group health plan, and a
10	health insurance issuer providing health insurance
11	coverage in connection with a group health plan,
12	that provides medical and surgical benefits shall en-
13	sure that inpatient coverage with respect to the
14	treatment of breast cancer is provided for a period
15	of time as is determined by the attending physician,
16	in consultation with the patient, to be medically ap-
17	propriate following—
18	"(A) a mastectomy;
19	"(B) a lumpectomy; or
20	"(C) a lymph node dissection for the treat-
21	ment of breast cancer.
22	"(2) Exception.—Nothing in this section shall
23	be construed as requiring the provision of inpatient
24	coverage if the attending physician and patient de-
25	termine that a shorter period of hospital stay is
26	medically appropriate.

- 1 "(b) RECONSTRUCTIVE SURGERY.—A group health
- 2 plan, and a health insurance issuer providing health insur-
- 3 ance coverage in connection with a group health plan, that
- 4 provides medical and surgical benefits with respect to a
- 5 mastectomy shall ensure that, in a case in which a mastec-
- 6 tomy patient elects breast reconstruction, coverage is pro-
- 7 vided for—
- 8 "(1) all stages of reconstruction of the breast
- 9 on which the mastectomy has been performed; and
- 10 "(2) surgery and reconstruction of the other
- breast to produce a symmetrical appearance;
- 12 in the manner determined by the attending physician and
- 13 the patient to be appropriate, and consistent with any fee
- 14 schedule contained in the plan.
- 15 "(c) Prohibition on Certain Modifications.—In
- 16 implementing the requirements of this section, a group
- 17 health plan, and a health insurance issuer providing health
- 18 insurance coverage in connection with a group health plan,
- 19 may not modify the terms and conditions of coverage
- 20 based on the determination by a participant or beneficiary
- 21 to request less than the minimum coverage required under
- 22 subsection (a) or (b).
- 23 "(d) Notice.—A group health plan, and a health in-
- 24 surance issuer providing health insurance coverage in con-
- 25 nection with a group health plan shall provide notice to

- 1 each participant and beneficiary under such plan regard-
- 2 ing the coverage required by this section in accordance
- 3 with regulations promulgated by the Secretary. Such no-
- 4 tice shall be in writing and prominently positioned in any
- 5 literature or correspondence made available or distributed
- 6 by the plan or issuer and shall be transmitted—
- 7 "(1) in the next mailing made by the plan or
- 8 issuer to the participant or beneficiary;
- 9 "(2) as part of any yearly informational packet
- sent to the participant or beneficiary; or
- 11 "(3) not later than January 1, 1998;
- 12 whichever is earlier.
- 13 "(e) Secondary Consultations.—
- 14 "(1) IN GENERAL.—A group health plan, and a
- 15 health insurance issuer providing health insurance
- 16 coverage in connection with a group health plan,
- that provides coverage with respect to medical and
- surgical services provided in relation to the diagnosis
- and treatment of cancer shall ensure that full cov-
- erage is provided for secondary consultations by spe-
- cialists in the appropriate medical fields (including
- pathology, radiology, and oncology) to confirm or re-
- fute such diagnosis. Such plan or issuer shall ensure
- 24 that full coverage is provided for such secondary
- consultation whether such consultation is based on a

1 positive or negative initial diagnosis. In any case in 2 which the attending physician certifies in writing 3 that services necessary for such a secondary consultation are not sufficiently available from special-5 ists operating under the plan with respect to whose 6 services coverage is otherwise provided under such plan or by such issuer, such plan or issuer shall en-7 8 sure that coverage is provided with respect to the 9 services necessary for the secondary consultation 10 with any other specialist selected by the attending 11 physician for such purpose at no additional cost to 12 the individual beyond that which the individual 13 would have paid if the specialist was participating in 14 the network of the plan.

- "(2) EXCEPTION.—Nothing in paragraph (1) shall be construed as requiring the provision of secondary consultations where the patient determines not to seek such a consultation.
- 19 "(f) Prohibition on Penalties or Incentives.—
- 20 A group health plan, and a health insurance issuer provid-
- 21 ing health insurance coverage in connection with a group
- 22 health plan, may not—

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- 23 "(1) penalize or otherwise reduce or limit the
- reimbursement of a provider or specialist because

- the provider or specialist provided care to a participant or beneficiary in accordance with this section;
- "(2) provide financial or other incentives to a physician or specialist to induce the physician or specialist to keep the length of inpatient stays of patients following a mastectomy, lumpectomy, or a lymph node dissection for the treatment of breast cancer below certain limits or to limit referrals for secondary consultations; or
  - "(3) provide financial or other incentives to a physician or specialist to induce the physician or specialist to refrain from referring a participant or beneficiary for a secondary consultation that would otherwise be covered by the plan or coverage involved under subsection (e).".
- 16 (b) CLERICAL AMENDMENT.—The table of contents
  17 in section 1 of such Act, as amended by section 603 of
  18 the Newborns' and Mothers' Health Protection Act of
  19 1996 and section 702 of the Mental Health Parity Act
  20 of 1996, is amended by inserting after the item relating
  21 to section 712 the following new item:

"Sec. 713. Required coverage for minimum hospital stay for mastectomies and lymph node dissections for the treatment of breast cancer, coverage for reconstructive surgery following mastectomies, and coverage for secondary consultations.".

# (c) Effective Dates.—

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- (1) IN GENERAL.—The amendments made by this section shall apply with respect to plan years beginning on or after the date of enactment of this Act.
  - (2) Special rule for collective bargaining agreements.—In the case of a group health plan maintained pursuant to 1 or more collective bargaining agreements between employee representatives and 1 or more employers ratified before the date of enactment of this Act, the amendments made by this section shall not apply to plan years beginning before the later of—
    - (A) the date on which the last collective bargaining agreements relating to the plan terminates (determined without regard to any extension thereof agreed to after the date of enactment of this Act), or
      - (B) January 1, 1998.

For purposes of subparagraph (A), any plan amendment made pursuant to a collective bargaining agreement relating to the plan which amends the plan solely to conform to any requirement added by this section shall not be treated as a termination of such collective bargaining agreement.

1	SEC. 4. AMENDMENTS TO THE PUBLIC HEALTH SERVICE					
2	ACT RELATING TO THE GROUP MARKET.					
3	(a) In General.—Subpart 2 of part A of title					
4	XXVII of the Public Health Service Act (as added by sec-					
5	tion 604(a) of the Newborns' and Mothers' Health Protec-					
6	tion Act of 1996 and amended by section 703(a) of the					
7	Mental Health Parity Act of 1996) is amended by adding					
8	at the end the following new section:					
9	"SEC. 2706. REQUIRED COVERAGE FOR MINIMUM HOSPITAL					
10	STAY FOR MASTECTOMIES AND LYMPH NODE					
11	DISSECTIONS FOR THE TREATMENT OF					
12	BREAST CANCER, COVERAGE FOR RECON-					
13	STRUCTION SURGERY FOLLOWING					
14	MASTECTOMIES, AND COVERAGE FOR SEC-					
15	ONDARY CONSULTATIONS.					
16	"(a) Inpatient Care.—					
17	"(1) IN GENERAL.—A group health plan, and a					
18	health insurance issuer providing health insurance					
19	coverage in connection with a group health plan,					
20	that provides medical and surgical benefits shall en-					
21	sure that inpatient coverage with respect to the					
22	treatment of breast cancer is provided for a period					
23	of time as is determined by the attending physician,					
24	in consultation with the patient, to be medically ap-					
25	propriate following—					
	propriese following					

1	"(B) a lumpectomy; or
2	"(C) a lymph node dissection for the treat-
3	ment of breast cancer.
4	"(2) Exception.—Nothing in this section shall
5	be construed as requiring the provision of inpatient
6	coverage if the attending physician and patient de-
7	termine that a shorter period of hospital stay is
8	medically appropriate.
9	"(b) Reconstructive Surgery.—A group health
10	plan, and a health insurance issuer providing health insur-
11	ance coverage in connection with a group health plan, that
12	provides medical and surgical benefits with respect to a
13	mastectomy shall ensure that, in a case in which a mastec-
14	tomy patient elects breast reconstruction, coverage is pro-
15	vided for—
16	"(1) all stages of reconstruction of the breast
17	on which the mastectomy has been performed; and
18	"(2) surgery and reconstruction of the other
19	breast to produce a symmetrical appearance;
20	in the manner determined by the attending physician and
21	the patient to be appropriate, and consistent with any fee
22	schedule contained in the plan.
23	"(c) Prohibition on Certain Modifications.—In
24	implementing the requirements of this section, a group
25	health plan, and a health insurance issuer providing health

insurance coverage in connection with a group health plan, may not modify the terms and conditions of coverage based on the determination by a participant or beneficiary to request less than the minimum coverage required under 5 subsection (a) or (b). 6 "(d) Notice.—A group health plan, and a health insurance issuer providing health insurance coverage in con-8 nection with a group health plan shall provide notice to each participant and beneficiary under such plan regard-10 ing the coverage required by this section in accordance with regulations promulgated by the Secretary. Such no-12 tice shall be in writing and prominently positioned in any literature or correspondence made available or distributed by the plan or issuer and shall be transmitted— 14 15 "(1) in the next mailing made by the plan or 16 issuer to the participant or beneficiary; 17 "(2) as part of any yearly informational packet 18 sent to the participant or beneficiary; or 19 "(3) not later than January 1, 1998; 20 whichever is earlier. "(e) Secondary Consultations.— 21 22 "(1) IN GENERAL.—A group health plan, and a

health insurance issuer providing health insurance

coverage in connection with a group health plan that

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provides coverage with respect to medical and surgical services provided in relation to the diagnosis and treatment of cancer shall ensure that full coverage is provided for secondary consultations by specialists in the appropriate medical fields (including pathology, radiology, and oncology) to confirm or refute such diagnosis. Such plan or issuer shall ensure that full coverage is provided for such secondary consultation whether such consultation is based on a positive or negative initial diagnosis. In any case in which the attending physician certifies in writing that services necessary for such a secondary consultation are not sufficiently available from specialists operating under the plan with respect to whose services coverage is otherwise provided under such plan or by such issuer, such plan or issuer shall ensure that coverage is provided with respect to the services necessary for the secondary consultation with any other specialist selected by the attending physician for such purpose at no additional cost to the individual beyond that which the individual would have paid if the specialist was participating in the network of the plan.

1	"(2) Exception.—Nothing in paragraph (1)				
2	shall be construed as requiring the provision of sec-				
3	ondary consultations where the patient determines				
4	not to seek such a consultation.				
5	"(f) Prohibition on Penalties or Incentives.—				
6	A group health plan, and a health insurance issuer provid-				
7	ing health insurance coverage in connection with a group				
8	health plan, may not—				
9	"(1) penalize or otherwise reduce or limit the				
10	reimbursement of a provider or specialist because				
11	the provider or specialist provided care to a partici-				
12	pant or beneficiary in accordance with this section;				
13	"(2) provide financial or other incentives to a				
14	physician or specialist to induce the physician or				
15	specialist to keep the length of inpatient stays of pa-				
16	tients following a mastectomy, lumpectomy, or a				
17	lymph node dissection for the treatment of breast				
18	cancer below certain limits or to limit referrals for				
19	secondary consultations; or				
20	"(3) provide financial or other incentives to a				
21	physician or specialist to induce the physician or				
22	specialist to refrain from referring a participant or				
23	beneficiary for a secondary consultation that would				
24	otherwise be covered by the plan or coverage in-				

volved under subsection (e).".

# (b) Effective Dates.—

- (1) IN GENERAL.—The amendments made by this section shall apply to group health plans for plan years beginning on or after the date of enactment of this Act.
- (2) SPECIAL RULE FOR COLLECTIVE BARGAINING AGREEMENTS.—In the case of a group health
  plan maintained pursuant to 1 or more collective
  bargaining agreements between employee representatives and 1 or more employers ratified before the
  date of enactment of this Act, the amendments made
  by this section shall not apply to plan years beginning before the later of—
  - (A) the date on which the last collective bargaining agreements relating to the plan terminates (determined without regard to any extension thereof agreed to after the date of enactment of this Act), or

# (B) January 1, 1998.

For purposes of subparagraph (A), any plan amendment made pursuant to a collective bargaining agreement relating to the plan which amends the plan solely to conform to any requirement added by this section shall not be treated as a termination of such collective bargaining agreement.

1	SEC. 5. AMENDMENT TO THE PUBLIC HEALTH SERVICE ACT
2	RELATING TO THE INDIVIDUAL MARKET.
3	(a) In General.—Subpart 3 of part B of title
4	XXVII of the Public Health Service Act (as added by sec-
5	tion 605(a) of the Newborn's and Mother's Health Protec-
6	tion Act of 1996) is amended by adding at the end the
7	following new section:
8	"SEC. 2752. REQUIRED COVERAGE FOR MINIMUM HOSPITAL
9	STAY FOR MASTECTOMIES AND LYMPH NODE
10	DISSECTIONS FOR THE TREATMENT OF
11	BREAST CANCER AND SECONDARY CON-
12	SULTATIONS.
13	"The provisions of section 2706 shall apply to health
14	insurance coverage offered by a health insurance issuer
15	in the individual market in the same manner as they apply
16	to health insurance coverage offered by a health insurance
17	issuer in connection with a group health plan in the small
18	or large group market.".
19	(b) Effective Date.—The amendment made by
20	this section shall apply with respect to health insurance
21	coverage offered, sold, issued, renewed, in effect, or oper-
22	ated in the individual market on or after the date of enact-
23	mont of this Act

1	SEC. 6. AMENDMENTS TO THE INTERNAL REVENUE CODE					
2	OF 1986.					
3	(a) In General.—Chapter 100 of the Internal Reve-					
4	nue Code of 1986 (relating to group health plan port-					
5	ability, access, and renewability requirements) is amended					
6	by redesignating sections 9804, 9805, and 9806 as sec					
7	tions 9805, 9806, and 9807, respectively, and by inserting					
8	after section 9803 the following new section:					
9	"SEC. 9804. REQUIRED COVERAGE FOR MINIMUM HOSPITAL					
10	STAY FOR MASTECTOMIES AND LYMPH NODE					
11	DISSECTIONS FOR THE TREATMENT OF					
12	BREAST CANCER, COVERAGE FOR RECON-					
13	STRUCTIVE SURGERY FOLLOWING					
14	MASTECTOMIES, AND COVERAGE FOR SEC-					
15	ONDARY CONSULTATIONS.					
16	"(a) Inpatient Care.—					
17	"(1) In general.—A group health plan that					
18	provides medical and surgical benefits shall ensure					
19	that inpatient coverage with respect to the treatment					
20	of breast cancer is provided for a period of time as					
21	is determined by the attending physician, in con-					
22	sultation with the patient, to be medically appro-					
23	priate following—					
24	"(A) a mastectomy;					
25	"(B) a lumpectomy; or					

1	"(C) a lymph node dissection for the treat-
2	ment of breast cancer.
3	"(2) Exception.—Nothing in this section shall
4	be construed as requiring the provision of inpatient
5	coverage if the attending physician and patient de-
6	termine that a shorter period of hospital stay is
7	medically appropriate.
8	"(b) RECONSTRUCTIVE SURGERY.—A group health
9	plan that provides medical and surgical benefits with re-
10	spect to a mastectomy shall ensure that, in a case in which
11	a mastectomy patient elects breast reconstruction, cov-
12	erage is provided for—
13	"(1) all stages of reconstruction of the breast
14	on which the mastectomy has been performed; and
15	"(2) surgery and reconstruction of the other
16	breast to produce a symmetrical appearance;
17	in the manner determined by the attending physician and
18	the patient to be appropriate, and consistent with any fee
19	schedule contained in the plan.
20	"(c) Prohibition on Certain Modifications.—In
21	implementing the requirements of this section, a group
22	health plan may not modify the terms and conditions of
23	coverage based on the determination by a participant or
24	beneficiary to request less than the minimum coverage re-
25	quired under subsection (a) or (b).

1	"(d)	NOTICE	—A gro	oup hea	lth plar	ı shall	provide	no-

- 2 tice to each participant and beneficiary under such plan
- 3 regarding the coverage required by this section in accord-
- 4 ance with regulations promulgated by the Secretary. Such
- 5 notice shall be in writing and prominently positioned in
- 6 any literature or correspondence made available or distrib-
- 7 uted by the plan and shall be transmitted—
- 8 "(1) in the next mailing made by the plan to
- 9 the participant or beneficiary;
- 10 "(2) as part of any yearly informational packet
- sent to the participant or beneficiary; or
- 12 "(3) not later than January 1, 1998;
- 13 whichever is earlier.
- 14 "(e) Secondary Consultations.—
- 15 "(1) IN GENERAL.—A group health plan that
- provides coverage with respect to medical and sur-
- gical services provided in relation to the diagnosis
- and treatment of cancer shall ensure that full cov-
- erage is provided for secondary consultations by spe-
- cialists in the appropriate medical fields (including
- 21 pathology, radiology, and oncology) to confirm or re-
- fute such diagnosis. Such plan or issuer shall ensure
- 23 that full coverage is provided for such secondary
- 24 consultation whether such consultation is based on a
- positive or negative initial diagnosis. In any case in

1 which the attending physician certifies in writing 2 that services necessary for such a secondary con-3 sultation are not sufficiently available from special-4 ists operating under the plan with respect to whose 5 services coverage is otherwise provided under such 6 plan or by such issuer, such plan or issuer shall en-7 sure that coverage is provided with respect to the 8 services necessary for the secondary consultation 9 with any other specialist selected by the attending 10 physician for such purpose at no additional cost to 11 the individual beyond that which the individual 12 would have paid if the specialist was participating in 13 the network of the plan.

- "(2) EXCEPTION.—Nothing in paragraph (1) shall be construed as requiring the provision of secondary consultations where the patient determines not to seek such a consultation.
- 18 "(f) Prohibition on Penalties.—A group health 19 plan may not—
  - "(1) penalize or otherwise reduce or limit the reimbursement of a provider or specialist because the provider or specialist provided care to a participant or beneficiary in accordance with this section;
- 24 "(2) provide financial or other incentives to a 25 physician or specialist to induce the physician or

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- specialist to keep the length of inpatient stays of patients following a mastectomy, lumpectomy, or a lymph node dissection for the treatment of breast cancer below certain limits or to limit referrals for secondary consultations; or "(3) provide financial or other incentives to a
  - "(3) provide financial or other incentives to a physician or specialist to induce the physician or specialist to refrain from referring a participant or beneficiary for a secondary consultation that would otherwise be covered by the plan involved under subsection (e).".

## (b) Conforming Amendments.—

- 13 (1) Sections 9801(c)(1), 9805(b) (as redesignated by subsection (a)), 9805(c) (as so redesignated), 4980D(c)(3)(B)(i)(I), 4980D(d)(3), and 4980D(f)(1) of such Code are each amended by striking "9805" each place it appears and inserting "9806".
- 19 (2) The heading for subtitle K of such Code is amended to read as follows:

# 21 "Subtitle K—Group Health Plan 22 Portability, Access, Renewabil 23 ity, and Other Requirements".

24 (3) The heading for chapter 100 of such Code 25 is amended to read as follows:

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1	"CHAPTER 100—GROUP HEALTH PLAN PORT-					
2	ABILITY, ACCESS, RENEWABILITY, AND					
3	OTHER REQUIREMENTS".					
4	(4) Section 4980D(a) of such Code is amended					
5	by striking "and renewability" and inserting "renew-					
6	ability, and other".					
7	(c) CLERICAL AMENDMENTS.—					
8	(1) The table of contents for chapter 100 of					
9	such Code is amended by redesignating the items re-					
10	lating to sections 9804, 9805, and 9806 as items re-					
11	lating to sections 9805, 9806, and 9807, and by in-					
12	serting after the item relating to section 9803 the					
13	following new item:					
	"Sec. 9804. Required coverage for minimum hospital stay for mastectomies and lymph node dissections for the treatment of breast cancer, coverage for reconstructive surgery following mastectomies, and coverage for secondary consultations.".					
14	(2) The item relating to subtitle K in the table					
15	of subtitles for such Code is amended by striking					
16	"and renewability" and inserting "renewability, and					
1 7						
17	other".					
17 18	other".  (3) The item relating to chapter 100 in the					
18	(3) The item relating to chapter 100 in the					
18 19	(3) The item relating to chapter 100 in the table of chapters for subtitle K of such Code is					

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- (1) IN GENERAL.—The amendments made by this section shall apply with respect to plan years beginning on or after the date of enactment of this Act.
  - (2) Special rule for collective bargaining agreements.—In the case of a group health plan maintained pursuant to 1 or more collective bargaining agreements between employee representatives and 1 or more employers ratified before the date of enactment of this Act, the amendments made by this section shall not apply to plan years beginning before the later of—
    - (A) the date on which the last collective bargaining agreements relating to the plan terminates (determined without regard to any extension thereof agreed to after the date of enactment of this Act), or

# (B) January 1, 1998.

For purposes of subparagraph (A), any plan amendment made pursuant to a collective bargaining agreement relating to the plan which amends the plan solely to conform to any requirement added by this section shall not be treated as a termination of such collective bargaining agreement.