

The Every Woman Counts Program

Purpose of Hearing

The Every Woman Counts program (EWC) provides breast and cervical cancer screening services to low-income, uninsured women. The Department of Public Health (DPH) estimates that the program serves approximately 350,000 women per year. Until January 1, 2010, the minimum age for receiving breast cancer screening through the program was 40 years of age. The program is funded primarily through two different sources of tobacco tax revenue and receives no state General Fund dollars. Over the past year, the Legislature has become aware of an evolving and growing budget crisis within this program.

In December of 2009, in response to this budget crisis within the program, DPH announced two significant policy changes to go into effect January 1, 2010: 1) the minimum age to receive breast cancer screening services has been raised from 40 to 50 years of age; and 2) all new enrollment has been frozen for the first six months of 2010. These two changes will deny or delay services to approximately 100,000 women, putting an estimated 1,000 lives at risk by delaying breast cancer diagnoses.

The Assembly Budget Committee has several concerns which led the Chair to call for this hearing. First and foremost, there is concern about the process undertaken by DPH in response to the budget crisis faced by this program. DPH made very significant changes to the program, substantially reducing access to the program for the more than 1,000,000 eligible Californians, without seeking any input from either the Legislature or the breast cancer advocacy community. Typically when a program faces a mid-year shortfall, the Administration submits a mid-year deficiency request to the Legislature to address the shortfall. This did not happen with this program. Moreover, typically when the Administration intends to make significant policy changes to a program, the relevant department will seek either formal or informal approval from the Legislature. This did not happen either.

In light of the autonomous actions on the part of DPH in relation to this program, the Legislature has had no opportunity to hear the Administration's thinking and analysis which led them to these decisions and actions, and therefore has not had the opportunity to consider various options and alternatives for addressing the funding shortfall in this program. This hearing provides a forum for that purpose.

Background on Breast Cancer

All of the following information about breast cancer, and cancer in general, is taken from the American Cancer Society's publication *California Cancer Facts & Figures 2010*.

- ◆ Nearly one out of every two Californians born today will develop cancer at some point in their lives, and it is likely that one in five will die of the disease.
- ◆ After heart disease, cancer is the second leading cause of death in California causing more than 50,000 deaths annually.
- ◆ In each racial/ethnic group in California, breast cancer incidence increases with socioeconomic status.
- ◆ Women of color are less likely to be diagnosed with breast cancer but are more likely to die from the disease. This is particularly the case for African American women.

The following table shows the expected numbers of new cases and deaths from the most common cancers in California in 2010:

	NEW CASES		DEATHS	
MEN				
Prostate	20,120	30%	3,035	11%
Lung	7,825	12%	6,985	25%
Colon & Rectum	7,200	11%	2,585	9%
Leukemia & Lymphoma	5,675	8%	2,535	9%
Urinary Bladder	4,420	7%	935	3%
All Cancers	67,270	100%	27,855	100%
WOMEN				
Breast	22,385	34%	4,195	16%
Lung	6,855	10%	6,150	23%
Colon & Rectum	6,960	10%	2,490	9%
Uterus & Cervix	5,585	8%	1,220	5%
Leukemia & Lymphoma	4,435	7%	2,035	8%
All Cancers	66,685	100%	26,800	100%

Between 1988 and 2007:

- ◆ Cancer incidence rates in California declined by 11 percent;
- ◆ Cancer mortality rates declined by 21 percent and the rates declined for all four major racial/ethnic groups in the state;
- ◆ Tobacco-related cancers continue to decline and California has seen a much larger decrease in lung cancer incidence rates than the U.S. overall; and
- ◆ The female breast cancer incidence rate in California has decreased by 7 percent, and the mortality rate has decreased by 31 percent.

The probability of being diagnosed with breast cancer for women by age is as follows:

25 to 44	45 to 64	65 to 84	Birth to Death
1 in 105	1 in 23	1 in 18	1 in 9

The five-year relative survival of breast cancer by stage at diagnosis in California for women is as follows:

All Stages	Localized	Regional	Distant
88%	98%	80%	21%

Definitions:

"In situ:" Tumor is at the earliest stage and has not extended through the first layer of cells.

"Localized:" Tumor has broken through the basement membrane, but is still confined to the organ.

"Regional:" Tumor has spread to lymph nodes or adjacent tissues.

"Distant:" Tumor has spread to other parts of the body (metastasized).

The American Cancer Society states that the percent of cancers diagnosed at an early stage (in situ or localized) is an indication of screening and early detection. For breast cancer in women, the following percentages of cancer cases are diagnosed early: 72% (Non-Hispanic White); 64% (African Americans); 63% (Hispanic); and 72% (Asian/Pacific Islander).

Every Woman Counts Program

The EWC provides free breast cancer screening and diagnostic services to women aged 50 (40 until the beginning of this year) and over who are low-income (up to 200 percent of the federal poverty level (FPL)) and uninsured. It also provides cervical cancer screening and diagnostic services to women aged 25 and over who meet similar eligibility criteria.

California began receiving federal funds for this purpose in 1991 through the National Breast and Cervical Cancer Early Detection Program administered through the federal Centers for Disease Control and Prevention (CDC). Subsequently, AB 478 (Friedman, Chapter 660, Statutes of 1993) created California's state program, to be funded by a two-cent per pack increase in the cigarette tax. This 2 cent tax revenue is collected and deposited into the Breast Cancer Control Account, half of which is appropriated to DPH for the EWC program and the other half goes to the University of California for California-specific breast cancer research.

According to DPH, an estimated 1.2 million Californians are eligible for breast cancer services through EWC and an estimated 3 million are eligible for cervical cancer services. DPH also estimates that approximately 350,000 women receive breast cancer services annually. DPH states that the caseload has increased steadily over the life of the program; however, DPH has not provided the Legislature with caseload data.

There is some overlap between the EWC and the Family PACT program within Medi-Cal. The Family PACT program is a program that provides family planning services, excluding abortions and including mammograms, to women under 200 percent FPL, who are of reproductive age, who otherwise would not qualify for Medi-Cal. The Family PACT program benefits from a 9 to 1 federal Medicaid match. Hence, low-income, uninsured women who are of reproductive age and able to become pregnant, could obtain breast cancer screening services from either program. The EWC serves a much wider age range than Family PACT.

When women in either program are diagnosed with breast cancer, they are referred to the state's breast cancer treatment program, under Medi-Cal, for treatment. This program has a state-only component for women who do not qualify for federal financial participation; treatment for women in the state-only program is limited to 18 months.

EWC Budget

The EWC receives no General Fund support and has three funding sources: 1) Prop 99 – its primary funding source; 2) the Breast Cancer Control Account – the secondary 2 cent tobacco tax revenue; and 3) a federal CDC grant. The program's 2009-10 budget is as follows:

FUND	FY 2009-10
Prop 99 (Local Assistance)	\$22,081,000
Breast Cancer Control Account (Local Assistance)	\$18,236,000
Breast Cancer Control Account (State Support)	\$8,373,000
State Funding Total	\$48,690,000
CDC Federal Grant	\$6,324,811
Total Funding	\$55,014,811

The program is currently facing an extreme funding shortage which DPH states is the result of two concurrent trends over the past several years: 1) increasing caseload; and 2) decreasing tobacco tax revenue. It is well known and understood that tobacco taxes are a declining revenue source as fewer and fewer people can afford to smoke. Nevertheless, according to DPH's own chart that shows the program's funding history back to 2002-03 (please see enclosure); it appears that the program has received steadily increasing tobacco tax appropriations over this time period.

In order to address the projected funding shortfall in the program, DPH announced the following two significant policy changes to the program which were put into effect on January 1st, 2010:

- 1) A permanent increase in the minimum age eligibility for breast cancer screening services from age 40 to age 50; and
- 2) A temporary six month enrollment freeze for all women seeking breast cancer screening services from January 1 through June 30th, 2010.

The projected savings from both of these actions is \$16 million in the current year and \$25 million in the budget year. The Governor also proposed in his January 2010 budget an additional reduction to this program of \$5.2 million in Breast Cancer Control Account funds. Should the state not receive the Administration's targeted federal funding threshold, the Governor's budget proposes to eliminate the program altogether.

DPH estimates that 350,000 women will seek services through EWC during the 2009-10 budget year, and these two policies will result in approximately 100,000 fewer women being served by the program.

Management of the EWC

For many years, both legislative staff and advocates have experienced difficulties working with the Administration on this program. Requests for data and other information have been met with consistent roadblocks, thereby making it difficult to assess the overall efficiency of program operations. Similarly, DPH has consistently failed to communicate effectively with the Legislature and others about the program. In 2006, then Department of Health Services Director Sandra Shewry sent a letter to the Legislature (see enclosure) apologizing for inadequate communication to providers and insufficient communication to both the Legislature and the Governor. The letter acknowledges that the department had withheld information about the cause of a reduction in the federal grant to the program which was the program's failure to meet federally required performance indicators.

Most recently, DPH's communication with the Legislature regarding the program's current budget crisis has been inadequate and troublesome. During the 2009 budget process, DPH requested mid-year deficiency funding after over-spending the program's budget. The Legislature approved of this request and questioned DPH on how it would control costs in the future. The Administration mentioned the possibility of increasing the age eligibility for the program but made no mention of expecting a \$16 million shortfall in the current year that would lead to a 6-month enrollment freeze. When the decision was made to institute the age change and enrollment freeze, the Legislature was given less than a month's notice, no deficiency appropriation was requested, and no input was solicited from either the Legislature or the advocacy community.

Solutions and Next Steps

Audits. The Office of Statewide Audits and Evaluations (OSAE), within the Department of Finance, has begun an audit of the program which is expected to be completed in the spring, in time to inform the Governor's May budget revision.

Assemblymembers Evans and Nava jointly submitted an audit request to the Joint Legislative Audit Committee (JLAC) which will be considering the request at its hearing on February 17th.

Legislation. Assemblymember Evans has introduced AB 1640 which seeks to require DPH to provide at least a 90-day notice to the Legislature on intended changes to the EWC. Senator Oropeza has introduced SB 836 to require the EWC to provide services to women 40 years old or older and to all individuals, regardless of age, who are exhibiting symptoms.

Budget. The Assembly and Senate Budget Committees will be reviewing the Governor's proposed 2010-11 budget for this program, as with all programs and proposals, through its regular budget process over the next several months. The Legislature may wish to require DPH to provide an estimate for this program as is required for other caseload-driven programs such as ADAP, Medi-Cal, Healthy Families, etc.