Connecticut Amputee Network

The Case for SB-376: An Act Concerning Health Insurance Coverage for Prosthetic Devices

SB376 provides insurance parity for prosthetic arms and legs. The bill applies to individual and group health insurance policies delivered, issued, renewed, amended, or continued in Connecticut that cover (1) basic hospital expenses; (2) basic medical-surgical expenses; (3) major medical expenses; and (4) hospital or medical services, including those provided under an HMO plan.

Economic Value

State of Colorado Report (2002), Dobson-DaVanzo Study (2013), and RAND Study (2017) all conclude that total patient costs over a 12- to 18-month period following an amputation are lower when patients are provided an appropriate prosthetic device when compared to patients that do not receive one. Patients not receiving a prosthetic device suffer medical complications such as depression, cardiac and vascular problems and obesity. These conditions result in higher medical costs to the insurer/payer.

- **State of Colorado Study Conclusion:** "the estimated net savings for fiscal year 1998-1999 would be $448,666 ($195,482 + $253,184)."
- **Dobson-Davanzo Study Conclusion**: "Cumulative cost comparison of the initial 12 months demonstrated that the cohort that received the prosthesis had only 1 percent higher costs compared to the population that did not receive any. In other words, **the cost to Medicare was essentially the same**.**"**
  - "The patients receiving a prosthesis experienced better quality of life and increased independence compared to patients who did not."
  - "The offsets to the initially higher cost were associated with patients benefitting from restorative health due to returning home and to their community. They avoided costly facility-based care."
- **Microprocessor Knees Economic Value**: The RAND study concluded the main clinical benefit for patients with microprocessor knees is the **reduction of falls and resulting injuries, deaths** and osteoarthritis incidences.
  - There are 22 fall-related deaths per 10,000 patient years for non-microprocessor knee users.
  - There are only 4 fall-related deaths per 10,000 patient years for microprocessor users, i.e. **18 lives are saved per 10,000 patient years**.
  - **Microprocessor knee amputees gained about 0.91 quality-adjusted life years per person over non-microprocessor knee users.** The difference is attributed to the improvement in quality of life.
- **RAND Study Conclusion**: "It appears that the economic benefits of microprocessor knees are comparable to those of total knee replacement and better than the implantable cardioverter defibrillator. **Therefore, microprocessor knees do provide good value for money from a societal perspective**."

Additional Savings

- Patients' independence is restored more quickly resulting in lower total cost of care.
- Primary care giver, if working, is able to return to full time work sooner. (Paying their taxes and insurance premiums)
- Patients are able to return to work sooner. (Paying their taxes and insurance premiums)
- Medicaid costs are reduced or avoided because the medical catastrophe has not deteriorated into a financial catastrophe for the family.