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BILL



ANALYSIS

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Senate Bill 741 (as introduced 2-3-16)
Sponsor: Senator Rick Jones
Committee: Health Policy

Date Completed: 3-11-16

CONTENT

The bill would amend the Public Health Code to exempt from certificate of need requirements the initiation or expansion of cone-beam dental imaging equipment used by a licensed dentist.

As a rule, a person must obtain a certificate from the Certificate of Need Commission in order to initiate, replace, or expand certain services, known as "covered clinical services", prescribed in the Code. Among other things, "covered clinical service" includes initiation or expansion of fixed and mobile computerized tomography (CT) scanner services. Under the bill, this category of covered clinical services would not include cone-beam dental imaging equipment used by an individual licensed to engage in the practice of dentistry.

The bill would take effect 90 days after its enactment.

MCL 333.22203

BACKGROUND

A CT scan (also known as a computerized axial tomography (CAT) scan) is an imaging procedure that uses specialized x-ray equipment to take pictures of three-dimensional objects inside the body (such as organs, bones, and other tissues) in many thin "slices". The slice images can be viewed separately as two-dimensional pictures, or combined to produce a three-dimensional image of the entire object. The images created by a CT scan are significantly more detailed than those created through traditional x-ray technology, and can assist health practitioners in diagnosis and treatment planning.

Cone-beam imaging evolved from CT imaging. While CT technology involves a fan-shaped beam of radiation that rotates around a patient in a scanner, cone-beam imaging uses a cone-shaped beam that is directed at a detector that rotates around the patient. Cone-beam equipment is smaller and less expensive than a CT scanner.

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

The bill would have an indeterminate fiscal impact on the State's Medicaid program and State and local governments as employers. The greater availability of cone-beam imaging devices could lead to a greater demand for such services. The costs of these services would be offset to an unknown degree by presumed better outcomes and reduced long-term complications.

It is anticipated that the greater availability of devices producing three dimensional images for complex dental procedures would lead to greater demand for such imaging, which would clearly increase costs. There are indications from dental research literature that the three dimensional images are superior to two dimensional images in treating certain complex conditions, such as cleft palate, unerupted teeth, and various orthodontic surgeries. Higher-quality initial treatment would reduce the necessity for follow-up procedures and thus reduce costs. If cone-beam imaging were to become standard for more routine dental issues, for which there is less diagnostic advantage, then the average long-term cost savings would be lower and the cost increases could exceed long-term savings.

Fiscal Analyst: Steve Angelotti

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