

HB 65 FIREFIGHTER CANCER AMENDMENTS (Snider, C.)

Anticipated Fiscal Impact: \$5,018/year

The state currently employs 59 firefighters that may qualify for this benefit. PEHP currently covers cancer screening for its members but does not mandate employees receive a screening. When a benefit goes to no cost to a member like this bill, we estimate that it would likely increase the utilization by 15% over current levels.

An office visit for screening typically costs about \$70 if done outside the hospital. However, each of these screenings could not be done by the same physician. We assume that 3 separate office visits would be needed during the screening time to account for each type of screen. We would assume basic metabolic labs would be ordered as part of the screening, and those cost \$140 per lab. As firefighters typically retire earlier than other public employees, we would assume the screenings would take place every five years on average. If we average one screening per year per employee, we would expect the total costs to be $\$210 \times 59 \text{ employees} = \$12,390/\text{year}$ for the state.

The costs to the state would be allocated to the state health plan, and the out-of-pocket costs of employees. The out-of-pocket costs to an employee depend on which plan the employee chooses, whether traditional, STAR, or consumer plus, and how much an individual has spent against their deductible in other phases. Typically PEHP pays about 70% of the total costs of care on average. If these claims followed that pattern, of the $\$12,390/\text{year}$ in costs PEHP would pay $\$8,673$ of the costs and the individuals would be responsible for $\$3,717$. Of PEHP's portion, we would expect $\$1,301/\text{year}$ to be related to new utilization (15% of total), which would be handled under existing budgets. Under the bill, the state would then reimburse the individual firefighter for any out of pocket costs or $\$3,717/\text{year}$ across the state. The total cost to the state above the current health plan would be $\$5,018/\text{year}$.

Pursuant to Utah Code Ann. 31A-22-605.5(2)(b) and (3) – a health insurance mandate shall apply to health coverage offered in the state risk pool, public school districts, charter schools and institutions of higher education. The same fiscal impact would be applicable to each of these entities covered by PEHP. PEHP does not cover every public school district, charter school or institution of higher education in the state. Some public entity employees are insured through private insurance carriers. The fiscal effect on the PEHP covered public entities would be $\$210/\text{firefighter}/\text{year}$ and would vary based on the number of firefighters.