

**Kentucky Department of Insurance  
Financial Impact Statement**

**HM Statement – SB 61 SCS GA**

- I. The proposed BR836 relating to removing barriers to colorectal cancer screening legislation will not materially impact the administrative expenses of insurers.
- II. The proposed BR836 Colorectal Cancer Screening legislation will increase premiums. The proposed legislation for all insured health benefit plan coverage is estimated to increase premiums from .05% to .13% due to the increased cost and utilization. This could be an increase from \$0.9 - \$2.6 million annually for all insured policies (not State Employee Plans) in Kentucky. The increase for all insured policies could be \$0.26 - \$0.68 per subscriber per month, or \$3.11 - \$8.22 per subscriber per year.
- III. The proposed BR836 Colorectal Cancer Screening legislation will increase the total cost of health care in the Commonwealth. The proposed legislation for all insured health benefit plan coverage is estimated to increase the total cost of health care from .05% to .13% due to the increased cost and utilization. This could be an increase from \$0.9 – \$2.6 million annually for all insured policies (not State Employee Plans) in Kentucky. The increase for all insured policies could be \$0.26 - \$0.68 per subscriber per month, or \$3.11 - \$8.22 per subscriber per year

These estimates are based upon data from Optum’s database with similar health insurance benefits and reasonable assumptions including variations in service mix, provider mix, and coverage levels. **This also assumes that all colorectal cancer screenings are currently covered and that the only change is removing any cost sharing required for these services.**

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Daniel Pribe, FSA, MAAA  
Optum  
January 28, 2015

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(Signature of Commissioner/Date)  
**FIS Actuarial Form 6-03**