

**BlueCross BlueShield  
of North Dakota**

An independent licensee of the  
Blue Cross & Blue Shield Association



**Consulting Services Unit**  
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Fargo, North Dakota 58121-0001

(701) 282-1444

July 25, 2008

Mr. Sparb Collins, Executive Director  
NDPERS  
400 East Broadway, Suite 505  
PO Box 1657  
Bismarck, ND 58501

Dear Sparb,

The following is our analysis of the bill draft providing mandated insurance coverage for colorectal cancer screenings.

**Summary**

LC # 90124.0100 relating to colorectal cancer screening mandate

**Comments**

In reviewing this bill we interpret the provisions to require PERS policies include colorectal cancer screening examinations and laboratory tests of asymptomatic individuals in accordance with guidelines established by the American cancer society or the American college of gastroenterology. The determination of an individual's screening risk factors would be based on the individual's physician

**Actuarial Cost**

Based upon the above and interpretation of the bill draft, it is estimated that an additional cost to NDPERS of \$4.04 per contract per month (spread over all contracts) for the 07/01/09-06/30/11 biennium. The estimate is based on the AMA guidelines of colonoscopy once every 10 years beginning at age 50, flexible sigmoidoscopy every 5 years beginning at age 50, double-contrast barium enema every 5 years beginning at age 50, fecal occult blood testing every year beginning at age 50. The estimate assumes that the services would be subject to current cost-sharing amounts.

If you have any questions, please feel free to call me at 701.282.1259.

Sincerely

A handwritten signature in cursive script that reads "Larry Brooks".  
Larry Brooks, Manager

Blue Cross Blue Shield of ND  
Cc: Rod St. Aubyn, BCBSND  
Dan Ulmer, BCBSND

**Assumptions:**

For colorectal screenings, BCBS assumed 75% utilization. In 2007 the amount paid for the screenings was \$1.94 pcpm, which we removed from our cost estimate. The average allowed costs in 2007 were \$1758 colonoscopy, \$530 barium enema, \$41 fecal occult, \$347 flexible sigmoidoscopy.

Colorectal Cancer Screenings  
State of North Dakota Authorized FTE's

Department	07-09 FTE	Monthly Change	07-09 Funding Adj Sources		07-09 Funding Adjustments	
			General	Other	General	Other
101 Office of the Governor	18	\$4.04	100.00%	0.00%	\$1,745.28	\$0.00
108 Office of the Secretary of State	27	\$4.04	95.88%	4.12%	\$2,510.03	\$107.89
110 Office of Management and Budget	132.5	\$4.04	80.48%	19.52%	\$10,339.48	\$2,507.72
112 Information Technology Department	312.2	\$4.04	6.28%	93.72%	\$1,900.73	\$28,370.18
117 Office of the State Auditor	54.8	\$4.04	69.40%	30.60%	\$3,687.73	\$1,625.68
120 Office of the State Treasurer	6	\$4.04	100.00%	0.00%	\$581.76	\$0.00
125 Office of the Attorney General	181.3	\$4.04	83.11%	16.89%	\$14,609.12	\$2,969.72
127 Office of the State Tax Commissioner	133	\$4.04	100.00%	0.00%	\$12,895.68	\$0.00
140 Office of Administrative Hearings	8	\$4.04	0.00%	100.00%	\$0.00	\$775.68
150 Legislative Assembly	125	\$4.04	100.00%	0.00%	\$12,120.00	\$0.00
160 Legislative Council	33	\$4.04	100.00%	0.00%	\$3,199.68	\$0.00
180 Judicial Branch	343	\$4.04	97.42%	2.58%	\$32,399.50	\$857.78
188 Legal Counsel of Indigents	29	\$4.04	100.00%	0.00%	\$2,811.84	\$0.00
190 Retirement and Investment Office	17	\$4.04	0.00%	100.00%	\$0.00	\$1,648.32
192 Public Employees Retirement System	33	\$4.04	0.00%	100.00%	\$0.00	\$3,199.68
201 Department of Public Instruction	98.25	\$4.04	29.95%	70.05%	\$2,853.50	\$6,672.82
226 State Land Department	18.75	\$4.04	0.00%	100.00%	\$0.00	\$1,818.00
250 State Library	29.75	\$4.04	86.36%	13.64%	\$2,490.99	\$393.57
252 School for the Deaf	48.44	\$4.04	95.13%	4.87%	\$4,468.23	\$228.51
253 N.D. Vision Services	27	\$4.04	76.89%	23.11%	\$2,012.91	\$605.01
270 Dept of Career and Technical Ed	27.5	\$4.04	92.70%	7.30%	\$2,471.86	\$194.54
301 North Dakota Department of Health	331.5	\$4.04	30.77%	69.23%	\$9,889.19	\$22,253.05
313 Veterans Home	90.97	\$4.04	29.87%	70.13%	\$2,634.59	\$6,185.86
316 Indian Affairs Commission	4	\$4.04	100.00%	0.00%	\$387.84	\$0.00
321 Department of Veterans Affairs	6	\$4.04	100.00%	0.00%	\$581.76	\$0.00
325 Department of Human Services	2085.68	\$4.04	63.11%	36.89%	\$127,626.38	\$74,601.16
360 Protection and Advocacy Project	27.5	\$4.04	19.64%	80.36%	\$523.73	\$2,142.67
380 Job Service North Dakota	308	\$4.04	0.45%	99.55%	\$133.35	\$29,730.33
401 Office of the Insurance Commissioner	46.5	\$4.04	0.00%	100.00%	\$0.00	\$4,508.64
405 Industrial Commission	55.37	\$4.04	89.61%	10.39%	\$4,811.04	\$557.63
406 Office of the Labor Commissioner	11	\$4.04	71.47%	28.53%	\$762.24	\$304.32
408 Public Service Commission	42	\$4.04	65.77%	34.23%	\$2,678.18	\$1,394.14
412 Aeronautics Commission	6	\$4.04	0.00%	100.00%	\$0.00	\$581.76
413 Department of Financial Institutions	27	\$4.04	0.00%	100.00%	\$0.00	\$2,617.92
414 Office of the Securities Commissioner	9	\$4.04	100.00%	0.00%	\$872.64	\$0.00
471 Bank of North Dakota	176.5	\$4.04	0.00%	100.00%	\$0.00	\$17,113.44
473 North Dakota Housing Finance Agency	43	\$4.04	0.00%	100.00%	\$0.00	\$4,169.28
475 North Dakota Mill & Elevator Association	131	\$4.04	0.00%	100.00%	\$0.00	\$12,701.76
485 Workforce Safety & Insurance	223.14	\$4.04	0.00%	100.00%	\$0.00	\$21,635.65
504 Highway Patrol	197	\$4.04	66.00%	34.00%	\$12,607.43	\$6,493.69
530 Department of Corrections and Rehabilitation	706.79	\$4.04	94.47%	5.53%	\$64,742.71	\$3,787.65
540 Adjutant General	232	\$4.04	35.00%	65.00%	\$7,872.79	\$14,621.93
601 Department of Commerce	73	\$4.04	73.19%	26.81%	\$5,180.15	\$1,897.93
602 Department of Agriculture	67	\$4.04	53.11%	46.89%	\$3,450.45	\$3,045.87
616 State Seed Department	30	\$4.04	0.00%	100.00%	\$0.00	\$2,908.80
627 Upper Great Plains Transportation Institute	43.4	\$4.04	10.75%	89.25%	\$452.26	\$3,755.80
628 Branch Research Centers	95.26	\$4.04	73.68%	26.32%	\$6,805.56	\$2,430.85
630 NDSU Extension Service	257.86	\$4.04	56.98%	43.02%	\$14,245.26	\$10,756.85
638 Northern Crops Institute	11.2	\$4.04	56.12%	43.88%	\$609.46	\$476.49
640 NDSU Main Research Center	348.08	\$4.04	68.32%	31.68%	\$23,057.56	\$10,692.28
649 Agronomy Seed Farm	3	\$4.04	0.00%	100.00%	\$0.00	\$290.88
670 Racing Commission	2	\$4.04	17.34%	82.66%	\$33.63	\$160.29
701 State Historical Society	60	\$4.04	88.90%	11.10%	\$5,172.10	\$645.50
709 Council on the Arts	5	\$4.04	100.00%	0.00%	\$484.80	\$0.00
720 Game & Fish Department	155	\$4.04	0.00%	100.00%	\$0.00	\$15,028.80
750 Department of Parks & Recreation	50.5	\$4.04	94.96%	5.04%	\$4,649.62	\$246.86
770 State Water Commission	84	\$4.04	90.85%	9.15%	\$7,399.36	\$745.28
801 Department Of Transportation	1052.5	\$4.04	0.00%	100.00%	\$0.00	\$102,050.40
Subtotal	8800.24	\$4.04	48.31%	51.69%	\$420,762.39	\$432,508.88
Higher Education	5970	\$4.04	0.00%	100.00%	\$0.00	\$578,851.20
State Total	14770.24	\$4.04			\$420,762.39	\$1,011,360.08
Political Sub Divisions						
Counties	1832	\$4.04	0.00%	100.00%	\$0.00	\$177,630.72
School Districts	1185	\$4.04	0.00%	100.00%	\$0.00	\$114,897.60
Cities	1023	\$4.04	0.00%	100.00%	\$0.00	\$99,190.08
Others	448	\$4.04	0.00%	100.00%	\$0.00	\$43,438.08
0						
P.S. Total	4488	\$4.04			\$0.00	\$435,156.48
Retirees/COBRA	5931	\$4.04	0.00%	100.00%	\$0.00	\$575,069.76
Grand Total	25189.24				\$420,762.39	\$1,446,516.56

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**Procedure****Current Coverage Policy**

<p>Fecal Occult Blood Testing:</p> <ul style="list-style-type: none"><li>• Ages 19 – 39</li><li>• Ages 40 – 49</li><li>• Age 50+</li></ul>	<p>1 every 5 years paid at 100% of allowed charge 1 every 2 years paid at 100% of allowed charge 1 per benefit period at 100% of allowed charge</p>
<p>Flexible Sigmoidoscopy</p>	<p>Benefits are not available if the services are related to annual, periodic or routine examinations. Benefits are available if the services are medically required and appropriate for the diagnosis or there is a family history indication. If one of these two situations applies, the services are covered subject to the deductible and coinsurance amounts as defined in the schedule of benefits.</p>
<p>Colonoscopy</p>	<p>Benefits are not available if the services are related to annual, periodic or routine examinations. Benefits are available if the services are medically required and appropriate for the diagnosis or there is a family history indication. If one of these two situations applies, the services are covered subject to the deductible and coinsurance amounts as defined in the schedule of benefits.</p>

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# NDPERS Employer Groups

*Examining Trends for Colorectal Cancer Among Group Members*

*Division of Medical  
Management*

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Last Updated: 10.16.2008*

## **Purpose**

The following report examines the number of occurrences and associated expenditures of colorectal cancer for the members of the NDPERS employer groups.

## **Methodology**

- Active members enrolled in an NDPERS employer group (Group Numbers: between 12000 and 12999 or 58308) were examined to identify for services associated with a diagnosis of colorectal cancer or a colectomy, occurring between July 1, 2003 and October 15, 2008 (analysis date, used as the end date in the criteria; no run out on paid date). Analysis was further stratified into three sections based on group membership: all NDPERS employees, only non-Retirees, and Retirees only.
- Data was gathered from Blue Cross Blue Shield of North Dakota (BCBSND) professional and institutional claims for the time period mentioned above. Dates were split into three biennium, per request:
  - July 1, 2003 to June 30, 2005
  - July 1, 2005 to June 30, 2007
  - July 1, 2007 to present day (October 15, 2008 = date of analysis)
- The following codes were based on HEDIS criteria, and identified instances of colorectal cancer and/or colectomy procedures:
  - *ICD-9 Diagnosis Codes:* between 153.0 and 153.9, 154.0, 154.1, 197.5, or V10.05
  - *CPT-4 Codes:* between 44150 and 44153, between 44155 and 44158, or between 44210 and 44212
  - *ICD-9 Procedure Codes:* 45.8
  - *HCPCS Codes:* between G0213 and G0215 or G0231

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## Findings

Table 1 (below) examines the number of members with a diagnosis of colorectal cancer and/or a colectomy procedure. The number of visits and the associated expenditures are also shown, and are differentiated based on biennium and group membership.

**Table 1. Colorectal Cancer: Associated Visits and Expenditures**

Biennium	Members	Visits	Charge	Total Paid	Allowed
July 1, 2003 to June 30, 2005					
Non-Retiree	106	1,586	\$6,320,187	\$3,917,001	\$4,046,199
Retiree	89	533	\$8,986,271	\$905,621	\$1,035,278
<b>Total</b>	<b>195</b>	<b>2,119</b>	<b>\$15,306,458</b>	<b>\$4,822,622</b>	<b>\$5,081,477</b>
July 1, 2005 to June 30, 2007					
Non-Retiree	120	1,313	\$10,362,953	\$5,628,515	\$5,746,499
Retiree	99	719	\$6,399,395	\$833,552	\$896,296
<b>Total</b>	<b>219</b>	<b>2,032</b>	<b>\$16,762,348</b>	<b>\$6,462,067</b>	<b>\$6,642,796</b>
July 1, 2007 to October 15, 2008*					
Non-Retiree	107	1,026	\$5,089,700	\$3,378,766	\$3,463,306
Retiree	90	556	\$4,794,842	\$674,179	\$744,724
<b>Total</b>	<b>197</b>	<b>1,582</b>	<b>\$9,884,542</b>	<b>\$4,052,945</b>	<b>\$4,208,030</b>
Five Year Total		5,733	\$41,953,349	\$15,337,633	\$15,932,302