



# Colorectal Cancer Screening Coverage Saves Lives

## **The Promise of Screening:**

Almost 57,000 people died from colorectal cancer in 2005. If the majority of Americans age 50 or older were screened regularly for colorectal cancer, the death rate from colorectal cancer could plummet by up to 80%.<sup>1</sup>

This stunning drop in mortality is possible because colorectal cancer is easily prevented through the identification and removal of pre-cancerous polyps, detectable only by screenings. Yet, despite the lifesaving potential of colorectal screening tests, a majority of Americans are not screened for the disease. Only half of US adults 50 or older have been screened recently for colorectal cancer.<sup>2</sup>

## **The Need for Insurance Coverage:**

While there are many reasons for the low rate of colorectal cancer screening, low insurance coverage is a contributing factor, since lack of coverage creates a financial barrier to screening.

Thanks to the American Cancer Society, Medicare already covers the full range of colorectal cancer screening tools, but coverage remains an issue for many in the under 65, privately insured population. To date, 18 states and the District of Columbia have enacted legislation ensuring coverage for the full range of colorectal cancer screening tools. However, there are still many Americans in the other 32 states and those covered by health plans outside of state jurisdiction who do not have the full range of coverage. In addition to anecdotal evidence from people who have personally experienced the frustration of being denied coverage for colorectal cancer screening tools – colonoscopy in particular -- studies have shown that limits on covered benefits impede an individual's ability to benefit from early detection of or screening for cancer.<sup>3,4</sup> The less extensive the prevention coverage, the less likely a person is to get screened. Furthermore, doctors often do not refer people for tests if they believe those tests are not covered by insurance.<sup>5</sup>

A report prepared for the Health Insurance Association of American (HIAA), acknowledges that health plans are currently not providing coverage for the full range of screening tests. Specifically, the report notes that, "Most private insurers will only cover colonoscopies for high risk populations." The report also confirms that health insurance coverage is a factor in low

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<sup>1</sup> Institute of Medicine. Curry S., Byers T. and Hewitt M., eds. 2003. *Fulfilling the Potential of Cancer Prevention and Early Detection*. Washington, DC: National Academy Press, p. 403.

<sup>2</sup> Behavioral Risk Factor Surveillance System Public Use Data Tape 2004, National Center for Disease Prevention and Health Promotion, Centers for Disease Control and Prevention, 2005.

<sup>3</sup> Agency for Health Care Policy and Research. *Women's Use of Preventive Screening Services: A Comparison of HMO Versus Fee-for-Service Enrollees*. July 1997.

<sup>4</sup> Faulkner LA, Schauffler HH. The Effect of Health Insurance Coverage on the Appropriate Use of Recommended Clinical Preventive Services. *Am J Prev Med* 1997;13(6):453-8.

<sup>5</sup> J.D. Lewin and D.A. Asch, "Barriers to Office-Based Screening Sigmoidoscopy: Does Reimbursement Cover Costs?" *Annals of Internal Medicine*, vol. 130, no. 6 (Mar. 1999), pp. 525-30.

screening rates.<sup>6</sup> Furthermore, an analysis by The Lewin Group of the many health plans participating in the Federal Employee Health Benefit Program (FEHBP) in 2002 confirms that while most plans were covering FOBT and flexible sigmoidoscopy, hardly any were covering colonoscopy screening. While ACS has worked hard to ensure that health plans participating in the FEHBP now provide coverage, the bottom line is clear: without intervention, plans do not tend to cover screening colonoscopy and are not covering the full range of colorectal cancer screening tools according to the American Cancer Society's guidelines.

We know that colorectal cancer screening saves lives and that too few Americans are currently being screened for colorectal cancer. Ensuring coverage for these tools removes financial barriers and puts the decision about appropriate screening back into the hands of physicians and patients.

### **Colorectal Screening is Cost Effective:**

Mathematical models prepared by the Congressional Office of Technology Assessment and others have shown that the cost-effectiveness of colorectal screening is consistent with many other kinds of preventive services and is lower than some common interventions.<sup>7</sup> For example, a polyp can be removed during screening for about \$1,500, but if the patient is not diagnosed until the disease has metastasized, the patient's survival drops to 10 percent and the costs of care can add up to \$58,000 over the patient's lifetime.<sup>8</sup> With sharp cost increases possible as new treatments, such as Avastin and Erbitux, become standards of care, the cost-effectiveness of screening is likely to become even more attractive.<sup>9</sup>

Our nation is missing an opportunity to achieve a large health impact for good value in colorectal cancer screening. In the interest of saving lives, the legislative solution to colorectal cancer is clear: make colorectal screening coverage available for all according to ACS screening guidelines.

Interestingly, The Lewin Group conducted a study of the cost of colorectal cancer screening, measuring costs in terms of per member per month costs – the price tag of a benefit to a health plan member. The data indicate that colonoscopy done once every 10 years is actually less costly in terms of Per Member Per Month (PMPM) costs than flexible sigmoidoscopy every 5 years combined with annual FOBT. Over the short term, colonoscopy every 10 years is actually *11 cents less* costly in terms of PMPM costs. A more detailed explanation of the study is attached.

When the cost study is considered together with the Lewin analysis of the Federal Employee Health Benefit Program mentioned above, it becomes readily apparent that expanding coverage to include colonoscopy can save additional lives at little or no additional cost to insurers. Given that insurers largely are already offering FOBT and flexible sigmoidoscopy, there is no compelling economic reason not to expand coverage to offer screening colonoscopy as well. Adding colonoscopy allows doctors and patients to choose the best test for that individual. Best of all, it is not only cost effective – it saves lives.

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<sup>6</sup> Mohr P., Mueller C., et al. "The Impact of Medical Technology on Future Health Care Costs." Health Insurance Association of America. <<http://membership.hiaa.org/pdfs/Appendix2.pdf>>, p. A4-58;59. February 28, 2001.

<sup>7</sup> U.S. Congress, Office of Technology Assessment (April 1995). *Cost-effectiveness of Colorectal Cancer Screening in Average-Risk Adults*. OTA-BP-H-146.

<sup>8</sup> Frazier AL, Colditz GA, Fuchs CS, and Kuntz KM (2000). Cost-effectiveness of Screening for Colorectal Cancer in the General Population. *Journal of the American Medical Association*, 284(15):1954-61.

<sup>9</sup> Schrag D (July 2004). The price tag on progress--chemotherapy for colorectal cancer. *New England Journal of Medicine*, 351(4):317-9.