

Department of Planning and Budget 2007 Fiscal Impact Statement

1. Bill Number HB1975

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron Fralin

3. Committee Commerce and Labor

4. Title Health insurance; mandated coverage for CyberKnife procedures.

5. Summary/Purpose: Requires health insurers, health care subscription plans, and health maintenance organizations to provide coverage for the cost of procedures utilizing CyberKnife or a like noninvasive radiosurgery technology that uses an image guided localization system to locate the position of a tumor and deliver concentrated and accurate beams of radiation to targets for the treatment of cancerous tumors.

6. Fiscal Impact Estimates are: Indeterminate

7. Budget amendment necessary: No

8. Fiscal implications: Anthem Blue Cross and Blue Shield, the health insurance carrier for the state employee health insurance program, expects that this bill will have a nominal impact on costs. Currently, radiation therapy represents approximately 1.1 percent of the total medical costs under the state employee health insurance program. The exact number of cases where the treatment mandated in this bill will be preferred over other treatments is difficult to predict making the exact cost indeterminate. However, the proposed legislation would have a small impact on a small portion (1.1 percent) of the health insurance program, most likely resulting in a negligible impact.

9. Specific agency or political subdivisions affected: All state agencies

10. Technical amendment necessary: No

11. Other comments: None

Date: 1/17/2007/ JDH

Document: DPB G:\EFIS\2007\HB1975-Cyberknife\HB1975.DOC

cc: Secretary of Administration