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FOR IMMEDIATE RELEASE

Press Release

Milliman actuarial research contributes to official recognition of lung cancer screening as a cost-effective health benefit

Actuarial research into mortality rates, QALY, and costs contribute to the evidence-based recommendation by the U.S. Preventive Services Task Force to provide lung cancer screening to certain high-risk populations

Seattle – July 30, 2013 – Milliman, Inc., a premier global consulting and actuarial firm, today proudly noted the role that actuarial research played in the establishment of an evidence-based case for the screening of lung cancer. Last night's announcement by the U.S. Preventive Services Task Force (USPSTF) that it will now recommend lung cancer screening for certain high-risk populations follows a series of actuarial studies that, alongside published clinical research, helped make the value case for lung cancer screening. The USPSTF's recommendation means that lung cancer screening will soon be widely available to at-risk populations, including people covered through commercial insurance and potentially through Medicare. Lung cancer is, by far, the largest cancer killer, with more than 150,000 deaths annually.

"This is one of the first examples of actuarial research adding to classical scientific research to change health policy and ultimately save lives," said Bruce Pyenson, co-author of three actuarial publications on lung cancer. "We used basic actuarial techniques—developing mortality loads, for example—and applied them to one of the most important health issues of our time, namely lung cancer. Actuarial techniques and the huge databases that actuaries often use can bring enormous value and accelerate both discovery and system change across healthcare. We look forward to this recommendation being implemented in a scientific manner, employing the best evidence and care coordination to treat lung cancer."

The Milliman research, commissioned by Legacy® and the Lung Cancer Alliance, took a staged approach to building the economic case for lung cancer screening. A 2010 paper, "An Actuarial Approach to Comparing Early Stage and Late Stage Lung Cancer Mortality and Survival," examined lung cancer mortality rates and identified the potential for saving lives. A 2012 study in *Health Affairs*, "An Actuarial Analysis Shows That Offering Lung Cancer Screening As an Insurance Benefit Would Save Lives At Relatively Low Cost," further advanced the discussion. The *Health Affairs* study calculated the cost of providing lung cancer screening to certain high-risk populations at less than a dollar per-member per-month. A new study due out soon in a prominent publication calculates the effectiveness of lung cancer screening in quality-adjusted life years (QALY).



“CT scans – covered by insurance and potentially by Medicare – will be critical to the early detection of the most lethal form of cancer – lung cancer,” said Cheryl G. Heaton, DrPH, president and CEO of Legacy. “This change in policy is another important step forward in the effort to extend and save the lives of hundreds of thousands of former and current smokers. We recommend that the age range defining ‘those most at risk’ is expanded during the comment period to conform with a minimum of age 50, which would make it consistent with the studies performed by Milliman in *Health Affairs* and by I-ELCAP—and we’ll then welcome its speedy approval,” she said.

To see a full library of actuarial research relating to lung cancer, go to <http://bit.ly/1c7Q9jd>.

About Milliman

Milliman is among the world’s largest providers of actuarial and related products and services. The firm has consulting practices in healthcare, property & casualty insurance, life insurance and financial services, and employee benefits. Founded in 1947, Milliman is an independent firm with offices in major cities around the globe. For further information, visit www.milliman.com

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