



# Cancer Award Program Summary

## **Background**

Legislators in Jefferson City asked interested parties—unions, chiefs, and the insurance community—to discuss and put forth parameters that all could agree on with regard to providing cancer benefits to firefighters in Missouri. Implementation occurred on March 1, 2022. Below is a short review of the cancer program process.

Several committees were convened over the last four years to meet the above goal, settling on the long-term solution of building a Trust similar to what was accomplished in Colorado in 2014 with Heart and expanded to Cancer in 2017.

In 2021 Senate Bill 45 was introduced to the Missouri legislature with the support of fire operation's labor and management to implement a solution that would see the majority of public funds expended on a Cancer Award Program going to the benefit of Missouri firefighters through a self-insured Pool. Sixty percent of the funding requested will go toward capitalization; thirty percent to rate subsidy; and ten percent for cancer prevention and testing.

## **Purpose**

The purpose of this proposed Cancer Award Program is to put forth a program that equitably ends discussion at the legislature between labor and management interests over the presumption of cancer for firefighters.

Cancer rates are high for the general public without the added exposure caused from fighting fires. On the surface, it appears reasonable to have a rebuttable presumption where the burden of proof is on the employer to disprove a cancer is job-related. Several states currently do just that as did Colorado.

Unfortunately, in those states' firefighters and management often see two-thirds of their cancer claims denied or stalled in litigation, sometimes for years, while employers gather evidence to disprove the cancer was job-related. This often accompanies a tentative notice of denial and an invasive 3-6 month or longer investigation, which can add further strain on a firefighter's physical and mental health. As it currently stands in states with rebuttal presumptions, the workers' compensation system and subsequent legal battles do not benefit firefighters as they diagnose, treat, and recover from cancer.

For employers in states that see more claims than are actually job-related, due to a non-rebuttable presumption, it is arguably less fiscally feasible especially for firefighters' employers that lack adequate funding.

Cancer claims are already covered under current health plans, disability, and social security. Additionally, it is important to note that under managed care or adjudication through the workers' compensation system, firefighters lack the ability to choose their own specialized doctors for treatment as they do under their own medical plans.

A presumption without rebuttability would be nice but is frequently looked at as an entitlement for firefighters often employed by cash-strapped fire operations.

## The Cancer Award Program

This Program has been determined to be a nontaxable accident coverage intended to supplement or pay for out of pocket expenses as well as provide additional compensation for other benefits no longer available once traditional disability coverage is eliminated. The highlights of this Program are as follows:

1. Cash award is paid within 10 days of a completed claim form to include the attending physician's diagnosis.
2. Up to \$4,000 disbursements, depending on limit selected, issued twice a month based on the schedule of benefits.
3. Payments are made before sick leave and vacation time need to be used.
4. Diagnosis, for this Program and with the employer's agreement, will be treated as a Line of Duty occurrence for the purpose of not arguing about it, but it does not entitle a workers' compensation claim.
5. This Program coverage is technically not disability insurance; it is an accident award.
6. This benefit does not exclude the filing of a workers' compensation claim; however, any payments issued under this Program will be offset under any workers' compensation payment.

## Timeline

- Implementation March 1, 2022

## Trust Structure

- Owned and operated Trust by participants of Missouri fire operations
- Stakeholders from numerous organizations assembled to address all issues and provide guidance
- Original Steering Committee make-up was from five stakeholder representatives; the Pool/Trust was then expanded to seven Board/Trustee Members.

## Member Agreement

Pool/Trust Agreements have been finalized as well as a resolution for districts and a municipal ordinance for cities. Both documents must be adopted by each participating fire operation and are available on the Pool/Trust Website at [www.MFFCIP.org](http://www.MFFCIP.org). Please review the Pool/Trust Agreement checklist to ensure proper completion of these documents.

## Proposed Covered Cancers

- Per International Association of Fire Fighters, this chart lists Credible Causal Relationship Findings of **14 specific cancers** analyzed through various epidemiological studies, according to Dr. Virginia Weaver, MD, MPH. We have added Breast Cancer to this list as appropriate studies are pending.
- Breast, testicular and thyroid cancer are now among our covered cancers. Other cancers can be added as new studies are published and approved by the Trustees.
- Smoking, vaping, or the use of tobacco products reduces award benefits by 25%.

## Cancer Rate in Firefighters Compared to General Population

Cancer	LeMasters	NIOSH	Nordic	Other
Bladder		*		K
Brain	✓			C
Breast				
Colon	✓	✓		K
Esophagus		✓		C
Kidney		✓		C, K
Lung		✓	✓	
Melanoma	✓		✓	A, C
Mesothelioma		✓	*	
Multiple myeloma	✓		*	C
NHL	✓	*		K
Prostate	✓	*	✓	A, C
Rectal	✓			K
Skin	✓		✓	
Stomach		*		

*Significant ✓ overall or in \*specific age group; A=Australia, C=California, K=Korea;  
Cancers listed if significant in being ≥ 2 times the general population rate studies.*

### Choice of Limit and Cost Options

Available limits and three year cost per full time, or part time and volunteer firefighter rates:

LIMITS	Year 1 Cost		Year 2 Cost		Year 3 Cost	
	F/T	P/T & Vol	F/T	P/T & Vol	F/T	P/T & Vol
\$300,000	\$118	\$95	\$142	\$114	\$165	\$133
\$200,000	\$78	\$63	\$94	\$75	\$109	\$88
\$100,000	\$39	\$31	\$46	\$38	\$55	\$44

- Rates for years 4 and 5 will be reviewed by the Trustees to determine where further subsidies are available
- Cost of Living Adjustment (COLA) on limits and contributions applicable annually after year five

### Eligibility Requirements

- Five (5) years for full time, part time, and volunteer firefighters
- Participant must have had a medical exam that would have reasonably caught cancers at or after employment but prior to diagnosis of a covered cancer
- Coverage extends 15 years after the last year of eligibility, prior to the age of 70

## **Cash Flow Design**

To preserve capital and keep costs reasonable, participant payouts are made bi-weekly until the Award Limit defined is reached as follows:

\$4,000 for the \$300,000 limit level;

\$2,640 for the \$200,000 limit level; and

\$1,320 for the \$100,000 limit level.

A full limit payout at each limit level would be spread over more than 36 months, or three years, to the participant or survivors, giving the Trust time to make rate adjustments and extend timely notice to participants for unforeseen events effecting future Pool contributions.

## **Administration and Startup Cost**

Most of the startup costs for the feasibility study and administration, with the exception of actuary and legal, are being deferred to “Management Fees” in future years. An Administration Scope of Services Agreement with McGriff Insurance Services, Inc. has been approved. McGriff Insurance Services currently administers the Colorado Firefighters Heart and Cancer Benefits Trust.