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Access to Cancer Medications Legislation

The Chemotherapy Parity Issue

Technology continues to change the nature of medical treatment, and a number of new and innovative treatments have emerged for serious diseases such as cancer. In certain instances, technology has outpaced payer and employer management of healthcare benefits. The result has been a significant disparity in patient cost-sharing for cancer medications.

- **Intravenous or infused cancer medications** are typically covered under a health plan's medical benefit. In this situation, patients are usually required to pay an office visit co-payment and are not required to pay a separate fee for the drug. Many medical benefit designs offer some form of cap on member out-of-pocket costs.
- **Orally-administered cancer medications** are typically covered under a health plan's pharmacy benefit. Traditional prescription drug designs, with fixed co-pays such as \$25 or \$40 per prescription, do not impose large cost sharing. However, some plans require patients to pay high coinsurance for drugs, as much as 25%, 40% or higher, with no cap on out-of-pocket costs.

These inequities can impede cancer patients' access to treatments which may be the most appropriate or only option for them. High out-of-pocket costs present a financial hardship for some cancer patients, especially when the cost of some oncology drugs may be thousands of dollars per month. When confronted with the reality of high out-of-pocket costs, patients may discontinue treatment.ⁱ

In addition, new research indicates that oncologists consider patient out-of-pocket expenses when making prescribing decisions. A national survey found that 84% of oncologists say that patients' out-of-pocket spending influences their treatment recommendations.ⁱ The fact that higher percent cost sharing leads to fewer claims per patient for oral chemotherapy is also supported by a 2010 study by Milliman.ⁱⁱ

The Solution for Cancer Patients

Emerging oral chemotherapy agents will greatly impact cancer care in the immediate future. It is estimated that oral agents comprise more than 25% of the drugs in the oncology pipeline.ⁱⁱⁱ The Wisconsin Coalition for Cancer Treatment Access (WCCTA) is seeking legislation to ensure that cancer patients in Wisconsin have access to life-saving oral cancer treatments. The bill would prohibit state-regulated health plans from requiring patients to pay a higher copayment, deductible, or coinsurance for oral chemotherapy than is required for injected or intravenous chemotherapy.

For more information please contact ACS Government Relations Director Gail Sumi at gail.sumi@cancer.org or 608-662-7570 or visit <http://www.thewccta.org/>.

ⁱ Neumann, Palmer, Nadler, Fang and Ubel. "Cancer Therapy Costs Influence Treatment: A National Survey of Oncologists." Health Affairs. January 2010.

ⁱⁱ Fitch, Iwasaki, and Pyenson. "Parity for Oral and Intravenous/Injected Cancer Drug." Milliman. January 2010.

ⁱⁱⁱ Weingart, Bach, Johnson, et al. NCCN Task Force Report: Oral Chemotherapy. Journal of the National Comprehensive Cancer Network. March 2008.