

Joint Commission on Health Care

Interim Report (HJ 566 –Del. Peace): Access to Oral Chemotherapy

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Authority for Study

- Directs the Joint Commission on Health Care to study access to oral chemotherapy drugs. In conducting its study, the Joint Commission on Health Care shall:
 - Identify barriers to access to oral chemotherapy drugs,
 - Determine the impact of lack of access to oral chemotherapy drugs on citizens of the Commonwealth,
 - Identify and evaluate options for improving access..., including but not limited to the potential benefits of oral/intravenous/injectable chemotherapy drug parity legislation, and
 - Develop recommendations for improving access to oral chemotherapy drugs in the Commonwealth.

Background

- ▶ More than 30,000 cases of cancer are diagnosed in Virginia each year.
- ▶ Studies indicate that:
 - Optimal treatment for cancer patients often includes both intravenously administered chemotherapy drugs and oral chemotherapy drugs.
 - In many cases, the use of oral chemotherapy drugs as part of a patient's treatment regimen:
 - Can reduce the number of office visits and other medical appointments for a patient,
 - Can reduce the potential for complications resulting from IV chemotherapy treatment for cancer, and
 - May reduce the costs associated with cancer treatment, particularly when oral chemotherapy drugs can be used instead of more expensive intravenously administered chemotherapy drugs.

3

Background

- ▶ Oral chemotherapy drugs are increasingly available from manufacturers, constituting up to 25 percent of new cancer treatment drugs in development or entering the market.
- ▶ The cost of oral chemotherapy drugs is frequently prohibitively high, reducing access to beneficial medications.
 - ▶ Cost sharing, coinsurance, and specialty tier pricing for oral chemotherapy drugs contribute significantly to the high cost of these medications for patients.
- ▶ A study by Prime Therapeutics found:
 - Average out-of-pocket expenses for oral chemotherapy medications were \$2,942 per month in 2009, an amount that was 17 percent greater than the average monthly out-of-pocket cost of oral chemotherapy drugs in 2008.
 - that one in six cancer patients with high out-of-pocket costs for medications (costs of \$200 or more per month) abandons a prescription or fails to fill a prescription or take medication as directed.

4

Stakeholder Meetings

- ▶ During the past year, JCHC staff conducted research and met with stakeholders, including:
 - American Cancer Society
 - Department of Medicaid Assistance Services
 - Leukemia and Lymphoma Society (LLS)
 - PHARMA representatives
 - Virginia Association of Health Plans
 - Virginia Association of Pharmacists

- ▶ Beginning in early November, staff will host a series of stakeholder meetings to address identified issues and determine policy options. In addition to the previously mentioned stakeholders, Virginia Hospital and Healthcare Association representatives, oncologists, and patients are expected to participate.

5

Year Two Activities

- ▶ Continue to review the issue and how it is addressed nationally, including the impact on health outcomes and cost:
 - Pharmacy versus a medical benefit
 - Parity legislation
 - Ensure that any legislation or change in benefit does not adversely impact patients
 - Look at outcome data to analyze any differences associated with oral chemotherapy in:
 - Survival rates and/or decrease in associated cost of care
 - Inpatient hospitalization days
 - Side effects, including impacts on health, medical costs, work productivity, and adherence to treatment plans.

6

Year Two Review of Parity Legislation

- ▶ Continue to monitor legislative activity and outcomes in other states:
 - Indiana, Vermont, Hawaii, Iowa, Oregon and the District of Columbia have parity legislation.
 - Parity legislation is being considered in 14 other states.

- ▶ Determine the costs and implications that parity legislation would have on Virginia's health plans.