

CANCER TREATMENT PARITY ACT OF 2013

United States Senators Al Franken and Mark Kirk

The Cancer Treatment Parity Act will help people battling cancer have access to the treatments they need. In many states, cancer patients cannot access oral chemotherapy drugs because of misaligned coverage policies that result in higher copays for orally-administered drugs and lower copays for more invasive intravenous (IV) chemotherapy treatments. This legislation will fix that problem, using a model developed and enacted at the state level.

Nationally, approximately 13.7 million Americans are living with a cancer diagnosis, and more than 1.6 million new cases will be identified this year. Chemotherapy treatments can be life-saving, and new, innovative chemotherapies—such as those in a pill form—can be easier to tolerate than traditional chemotherapy. However, due to the way some of these newer treatments are covered, many patients also find them impossible to afford.

In many states, insurance companies cover IV chemotherapy treatments as a medical benefit, requiring an office visit copay and limits on out-of-pocket costs, whereas they cover oral and other self-administered chemotherapies as a pharmacy benefit. As such, patients may experience restrictions on access to oral chemotherapies as well as significantly higher cost sharing, sometimes reaching hundreds or thousands of dollars per month. As a result, almost 10 percent of patients do not fill their initial prescriptions for oral anticancer medications.

Nevertheless, the field of cancer treatments is shifting towards oral and other self-administered treatments. In fact, according to the Dana Farber Cancer Institute, 8 of the 11 oncology drugs approved by the FDA since 2012 are oral treatments with no IV equivalent. In addition, oral chemotherapies make up 25 to 35 percent of the 400 anticancer drugs currently under development. Because these drugs are highly effective, have low rates of side effects, fewer complications, and are easier for patients to use, self-administered chemotherapies are becoming the standard of care for many patients.

27 states have enacted laws promoting parity between physician- and self-administered forms of chemotherapy. In most states, expanding coverage to include oral chemotherapy had a negligible impact on premiums; one study found that expanding coverage for oral chemotherapies increased costs for most plans by \$0.50 per member per month, representing a 0.17 percent increase.

To equalize insurance coverage for all types of anticancer medications, the Cancer Treatment Parity Act would:

- Build on state law by requiring all private health insurance plans to provide financial parity in coverage for IV and oral chemotherapy treatments.
- Apply only to health plans that already cover chemotherapy. The law does not mandate that health plans provide chemotherapy coverage.
- Ensure that insurance cost-sharing schemes do not create barriers to cancer patients' ability to access potentially life-saving medicines.