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**Insurance and Real Estate Committee  
February 18, 2010**

**Testimony of the American Cancer Society**

The American Cancer Society stands in strong support of **SB 50 - AN ACT CONCERNING ORAL CHEMOTHERAPY TREATMENTS.**

Most chemo drugs are injected through an IV (intravenous) line into a person's vein, however thanks to progress in cancer treatments, there are numerous types of chemotherapy that can be taken orally as a liquid, tablet, or capsule. Oral chemo does not need to be injected into the body, and chemotherapy taken by mouth is as strong as the other forms and works just as well.

In fact, while there are some chemo drugs that cannot be taken orally due to difficulties with swallowing or stomach absorption, oral chemotherapy has less severe side effects and is easier on the patient (along with the person who has to give him/her the ride) by allowing non-invasive treatment at home without requiring a patient to go into a hospital or clinic for IV treatment.

According to research, 9 out of 10 cancer patients cited significant improvement in quality of life as the basis for preferring oral chemotherapy. The reasons they cited included: convenience, the pain and difficulty of IV chemotherapy treatment, their desire to have control over where the treatment was given, and travel issues. When doctors cited oral chemotherapy as being as effective as traditional chemotherapy, then oral chemo was the preferred method. [Liu G., Franssen E, Fitch M, Warner E, *Patient Preferences for Oral Versus Intravenous Palliative Chemotherapy*]

While quality of life would improve for many patients, the cost differential between orally administered chemo and IV injected chemo administered at a hospital, physician's office or clinic is a significant barrier. Most insurance plans classify IV chemotherapy medications as a medical benefit requiring only office co-pays for each treatment and not an additional cost for the IV drug itself.

However oral chemotherapy is currently classified as a prescription drug and placed on a specialty tier of a plan's formulary covered under a pharmacy benefit. The Kaiser Family Foundation reports an average 28% coinsurance rate for these specialty tier drugs according to the *2008 Employer-Sponsored Health Benefits Report*. This means an out of pocket cost to the patient of close to \$900 dollars for a \$3,000 per month oral anticancer medication.

In most cases, the cost to treat a cancer patient using oral chemotherapies is often actually less than the alternative IV therapy because there are no associated medical costs—visits to hospitals, equipment use, etc.

The American Cancer Society is dedicated to improving the quality of life for all cancer patients by ensuring availability of affordable, quality treatment throughout the continuum of the cancer

experience. We support public policy that ensures access to treatment beginning at diagnosis and continuing throughout the course of disease.

We are asking that oral chemotherapy drugs be a fully covered medical benefit in private health insurance plans, just as oral chemotherapy drugs are presently treated under Medicare. Beyond the obvious cost issue, it is also a quality of life issue.

31 states took some action on this issue in 2009 with bills in California, Iowa, Hawaii, Vermont and Indiana reaching Governor's desks. Similar legislation already signed into law in Oregon and Indiana has resulted in the elimination of high coinsurance rates by state plans.

We urge a favorable report from this committee on SB 50.

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