

*FTA
50*

Testimony of the American Lung Association in Connecticut in Support of Raised Bill No. 50, An Act Concerning Oral Chemotherapy Treatments

45 Ash St.
East Hartford, CT 06108
Tel: (860) 289-5401
Fax: (860) 289-5405

1-800-LUNG USA
lungne.org

Chair
David G. Hill, MD (Middlebury)

Vice Chair
Karen P. Conway, Esq. (S. Glastonbury)

Secretary
Pamela Peck (Woodbury)

Fariba Alim-Marvasti (Glastonbury)

Craig S. Conoscenti, MD (Norwalk)

Theodore M. Doolittle, Esq. (W. Hartford)

Thomas J. Godar, MD (Bloomfield)

Sonda Hunter (Meriden)

Fran M. Kochman (Old Saybrook)

Carol T. Krantz (Glastonbury)

Judith A. Levi (Rocky Hill)

Jack K. Plummer, PhD (Glastonbury)

Jane Z Reardon, MSN, RN (Granby)

Paula L. Richer (Wethersfield)

Hossein Sadeghi, MD (Stamford)

Eugene W. Skladnowski (Wethersfield)

Regina Stankaitis, PHR (Wethersfield)

Jeffrey T. Stein, CFP (Avon)

John Victory (Farmington)

John J. Votto, DO (New Britain)

February 18, 2010

Insurance and Real Estate Committee
Room 2800, Legislative Office Building
Hartford, CT 06106

Dear Senator Crisco, Representative Fontana and Members of the Committee:

My name is Dr. David Hill; I am a practicing pulmonologist in the State of Connecticut and Chair of the ALA Leadership Board at the American Lung Association in Connecticut. As advocates for promoting lung health and preventing lung diseases - such as lung cancer - the American Lung Association in Connecticut wishes to be recorded in strong support of Raised Bill No. 50, An Act Concerning Oral Chemotherapy Treatments.

Thanks to the continued advances in medicine, oral anticancer medications are available in some cases for treatment. Regrettably, greater patient out-of-pocket costs for oral medication versus IV (intravenous) medication pose a significant barrier to their use.

Typically, IV anticancer medications are covered under an insurance plan's medical benefit - where most patients are only responsible for their copayment for each visit to their health care provider. Their provider administers the treatment and the patient is not required to pay a separate fee for the IV drug. Orally administered anticancer medications are treated as a prescription and covered under a patient's health plan's pharmacy benefit because a patient can take their medication independently.

Currently, several of these oral drugs are placed on a 4th or "specialty" tier of a prescription plan's formulary. According to the Kaiser Family Foundation, the average coinsurance rate for 4th tier drugs is 28 percent. In other words, a \$3,000 per month oral anticancer prescription could mean the patient must pay close to \$900 out-of-pocket each month. This is a much higher monthly out of pocket cost than for IV medications.

When considering this price disparity, it is important to consider that certain newer chemotherapies are available only in oral formulation.

45 Ash St.
East Hartford, CT 06108
Tel: (860) 289-5401
Fax: (860) 289-5405

1-800-LUNG USA
lungne.org

Chair
David G. Hill, MD (Middlebury)

Vice Chair
Karen P. Conway, Esq. (S.
Glastonbury)

Secretary
Pamela Peck (Woodbury)

Fariba Alim-Marvasti (Glastonbury)

Craig S. Conoscenti, MD (Norwalk)

Theodore M. Doolittle, Esq. (W.
Hartford)

Thomas J. Godar, MD (Bloomfield)

Sonda Hunter (Meriden)

Fran M. Kochman (Old Saybrook)

Carol T. Krantz (Glastonbury)

Judith A. Levi (Rocky Hill)

Jack K. Plummer, PhD (Glastonbury)

Jane Z Reardon, MSN, RN (Granby)

Paula L. Richer (Wethersfield)

Hossein Sadeghi, MD (Stamford)

Eugene W. Skladnowski
(Wethersfield)

Regina Stankaitis, PHR
(Wethersfield)

Jeffrey T. Stein, CFP (Avon)

John Victory (Farmington)

John J. Votto, DO (New Britain)

Thus, patients who rely on these drugs are forced to pay more for the treatment recommended by their doctor or possibly take a less effective therapy than initially prescribed due to money restrictions.

The American Lung Association in Connecticut strongly supports physician and patient choice in determining the best course of treatment. We believe that drug formularies must be flexible enough to allow patients to receive the best evidence-based treatment that their physician determines will meet their needs. We understand and support efforts to contain health care costs, but believe that being overly restrictive with the tools available to manage a disease may actually result in more cost for that patient and the insurer in the future. To that end, we strongly support Raised Bill No. 50, An Act Concerning Oral Chemotherapy Treatments. It will assure that patient access to the most effective anticancer therapy is not influenced by reimbursement policy.

It is important to note that this legislation does not direct insurers to cover all oral anticancer medications or any particular oral anticancer medication. However, if an insurer does cover any oral anticancer medication, it has to do so in a similar manner that it covers IV medications. This legislation also forbids insurers from decreasing the level of coverage for covered IV anticancer products in order to achieve parity.

Thank you for your consideration of this bill. We urge the Committee to report out this legislation favorably.

Submitted by:

David Hill, MD

American Lung Association of New England
Medical and Scientific Branch in Connecticut