



April 15, 2011

Representative Brian Higgins
United States House of Representatives
Washington, DC 20515

Dear Representative Higgins:

On behalf of the Patient Equal Access Coalition (PEAC), we are writing to provide input on your legislation, the ***Cancer Drug Coverage Parity Act***. PEAC is a patient focused coalition of organizations representing patients, health care professionals, care centers, and industry collaboratively joined together to ensure that cancer patients have equality of access (and equality of insurance coverage) to all approved anticancer regimens including, but not limited to oral and intravenous drugs, injections, surgery, radiation, transplantation, etc. PEAC thanks you for introducing the ***Cancer Drug Coverage Parity Act*** (HR 2366) in the 111th Congress and your continued leadership on this position in the 112th Congress. As you prepare the ***Cancer Drug Coverage Parity Act*** for reintroduction, PEAC would like to present recommendations to modify the legislation.

PEAC believes that every cancer patient should have access to the anticancer regimens recommended by their physicians and should not suffer from cost discrimination based on the type of therapy provided or the mechanism of delivery. HR 2366 achieves this concept, but we would like to recommend language that would prevent some unintended consequences that PEAC members are seeing play out in the states as they work on this type of legislation.

Parity in Coverage in Private Health Insurance (includes all forms of health insurance that are not funded by the government)

Intravenous (IV) and injected treatments were once the primary methods of cancer treatment. However, oral treatments have become more prevalent and are the standard care for many types of cancer. The coverage structure has not kept up with this trend. Many of these drugs are effective in cancer treatment, and often don't have IV or injected alternatives. There are 40 oral anti-cancer medications that are Food and Drug Administration (FDA)-approved, only nine of which have less expensive generic equivalents.

Oral anti-cancer medications are very expensive. These drugs can run as high as \$10,000 per month. Though intravenous and injected medications can be as expensive or even more expensive, higher cost-sharing required of patients for oral medications makes them much less affordable. When an oral treatment is determined most effective, patients are sometimes forced to make their treatment choice based on cost, rather than efficacy. This can be a large financial burden on patients and potentially, a life or death decision.

Health care plans use different cost-sharing strategies to help control their costs, such as deductibles, co-insurance, and limits on coverage. Cost-sharing is intended to sensitize patients to the financial consequences of their choices and encourage patients and physicians to choose less expensive and generic drugs. However,

the strategy of using cost-sharing to help patients make good, cost-effective choices doesn't work as intended when dealing with anti-cancer medications, where options are limited. Decisions should be based on what is considered the most effective treatment in these cases, not just what is the most affordable. PEAC recommends that a provision be included in the ***Cancer Drug Coverage Parity Act*** that would prevent insurance companies from increasing the patient cost sharing for any anticancer medications that are not in the oral form in an effort to achieve compliance with this bill.

PEAC members are concerned that compliance with parity could specifically lead to efforts to move cancer medications given via IV and by injection from the medical benefit of the health plan to the pharmacy benefit. Many cancer medications in the pharmacy benefit are classified under the highest tier or under a specialty tier with high patient co-pays and many of these medications do not have generic equivalents. PEAC is concerned that patients with high pharmacy co-pays or no access to a pharmacy benefit would not be able to afford their medication regardless of the delivery method. Therefore, PEAC urges you to include language to ensure that this practice is not a solution for companies to be in compliance with the legislation.

Additionally, PEAC recommends that coverage shall not be subject to any prior authorization, dollar limit, copayment, deductible, or coinsurance provision that does not apply to anticancer medications administered via IV or by injection to kill or slow the growth of cancerous cells.

Coverage Parity in the Medicare Program

Medicare's pharmacy benefit (Part D) includes almost all oral cancer medications on the formulary. Given that many private health insurance plans follow the coverage determinations under the Medicare program, PEAC urges the recommendations listed above for private health insurance also be included in the section of the ***Cancer Drug Coverage Parity Act*** that deals with the Medicare program.

Additionally, we would recommend that the Medicare Payment Advisory Commission (MedPAC) study this issue and how it affects cancer patients in the Medicare program. As you know from conversations with MedPAC, the Commission admits this could be an issue for Medicare beneficiaries but would need more guidance from Congress in order to study the issue further.

PEAC members applaud your continued leadership on this important access issue for cancer patients. We look forward to working with you in the 112th Congress to not only move this legislation forward, but to also serve as a resource on this issue. Please feel free to contact any of the PEAC members below with any questions you may have or information you may need.

Sincerely,

Fight Colorectal Cancer
International Myeloma Foundation
Leukemia and Lymphoma Society
Lymphoma Research Foundation
National Patient Advocate Foundation
Ovarian Cancer National Alliance