

United States Senator for Kansas JERRY MORAN

## **CANCER DRUG PARITY ACT**

Nearly 40 percent of Americans will be diagnosed with cancer during their lifetimes [1]. According to the American Cancer Society, an estimated 2 million Americans will receive a cancer diagnosis in 2023 [2]. No one should have to suffer from such a terrible disease, but for many patients, improvements in oral cancer medications have made a real difference. Oral cancer treatments are less intrusive than traditional intravenous (IV) treatments, allow patients to receive treatment in their homes, and have turned cancer into a manageable chronic disease for some patients.

Unfortunately, copays for oral cancer medications are unaffordable for many patients. While IV treatments are covered under a health plan's medical benefits—meaning moderate to minimal copays—oral medications are self-administered and covered under pharmacy benefits. Consequently, patients are required to pay a percentage of the medication's overall cost, leaving patients responsible for paying high and often unaffordable copays. A study on cancer patients who were prescribed oral cancer drugs between 2014 and 2015 found that one in eight patients faced out-of-pocket costs of more than \$2,000 for their first prescription, and nearly half of these patients did not pick up their medication, foregoing necessary care [3].

States have already started taking action to assist cancer patients, with over 40 states and the District of Columbia enacting "oral parity" laws. These laws prevent health plans from creating separate cost-sharing requirements for oral versus IV cancer medicines. Oral parity laws have made a significant difference for those suffering from cancer. For example, an analysis of health plan claims from 2008 to 2017 found that the proportion of multiple myeloma patients initially charged \$0 for oral medications nearly quintupled, rising from 11% to 49%, with the enactment of oral parity laws [4].

Senators Smith and Moran's bipartisan Cancer Drug Parity Act would build on this state-level success by:

- Expanding oral parity protections to privately-insured patients whose health care is regulated at the federal level.
- Preventing insurers from covering oral and self-administered medicines at different cost-sharing rates than IV chemotherapy.
- Implementing these requirements for health plans that already cover both oral and IV chemotherapy treatments.

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[2] <u>https://www.cancer.org/content/dam/cancer-org/research/cancer-fac</u>
[3] <u>https://ascopubs.org/doi/full/10.1200/JCO.2017.74.5091</u>

 <sup>&</sup>lt;u>https://www.cancer.gov/about-cancer/understanding/statistics</u>
<u>https://www.cancer.org/content/dam/cancer-org/research/cancer-facts-and-statistics/annual-cancer-facts-and-figures/2023/2023-cancer-facts-and-figures.pdf</u>

<sup>[4] &</sup>lt;u>https://academic.oup.com/jnci/article/112/10/1055/5688751</u>