

Study Gives Mixed Reviews of Laws Meant to Equalize Cancer Patients' Out-Of-Pocket Costs

Researchers are surprised and concerned that the laws may not actually protect patients from high medication costs, reports Kaiser Health News

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Laws designed to equalize out-of-pocket costs faced by cancer patients undergoing chemotherapy—whether treated intravenously, with pills or liquid doses—are having mixed results, according to new research.

The [study](#), published online this week by JAMA Oncology, found these so-called state “parity” laws have not uniformly reduced patients’ out-of-pocket spending.

The laws became popular in the past decade as pricey anti-cancer oral medications grew more common. They were intended to address the variation in what insurers expected patients to pay, depending on the form of chemo they received.

In many plans, oral anti-cancer drugs were placed in high cost-sharing tiers in patients’ prescription coverage. Drug infusions—which took place at a doctor’s office—were handled as an office visit and sometimes required minimal co-payments.

The researchers analyzed health plan claims of 63,780 adult cancer patients younger than age 65. All lived in the 43 states and the District of Columbia that passed parity laws from 2008 to 2012.

They compared the use of oral anti-cancer medicines and out-of-pocket spending between patients in two types of health plans: state-regulated plans and “self-funded” employer health plans. The employer plans pay workers’ claims directly and therefore are not subject to state parity laws. Just under half of the patients involved in the study had coverage through a self-funded plan.

They came to various conclusions.

First, “these laws have not consistently reduced out-of-pocket spending for orally administered anticancer medications,” they wrote. More broadly, they noted, while these parity laws offered many patients “modestly improved financial protection,” the laws alone “may be insufficient to

ensure that patients are protected from high out-of-pocket medication costs.”

And the researchers were surprised and concerned by these findings.

“When you think about who would have been the target of the law, parity is intended to help people afford the cost of their treatment,” said Stacie Dusetzina, an assistant professor of pharmacy and public health at the University of North Carolina-Chapel Hill, who was the study’s lead author. “The most expensive fills got more expensive after parity. That’s concerning.”

Among their specific findings:

- The number of prescriptions requiring high out-of-pocket spending grew, despite parity laws. The proportion of prescriptions filled in plans subject to parity that cost more than \$100 out-of-pocket per month increased from 8.4 to 11.1 percent, the study found. That figure declined slightly for prescriptions in plans that weren’t subject to parity, from 12 to 11.7 percent.
- In plans subject to parity laws, the proportion of prescription fills for orally administered therapy without co-payment increased from 15 to 53 percent, more than double the increase in plans not subject to parity. Those plans increased from 12 to 18 percent.
- Parity laws did not increase six-month total spending for users of any anti-cancer therapy or for users of oral anti-cancer therapy alone.

The researchers suggested that continuing growth in high-deductible plans and high coinsurance charges may have contributed to the rise in the number of patients with high out-of-pocket costs for cancer treatment, even in states that have parity laws.

The study also found that out-of-pocket spending on infused drugs, which are typically older and less expensive than oral anti-cancer therapies, remained stable during the study period and was unaffected by parity laws.

A federal law that would extend parity to the seven states that don’t have it has been proposed in the past, most recently in March. Such a law could also benefit people in self-funded plans that aren’t subject to state laws, as well as Medicare beneficiaries.

“A federal law would potentially provide a lot of benefit, because we do feel parity has a net benefit for patients,” Dusetzina said.

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