

Lawmakers, Advocates: PBM Reforms Needed To Improve Cancer Drug Access

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Lawmakers and patient advocates are urging Congress to pass a bill that would align health insurance policies with the rapid advancement of cancer treatment, but said such legislation would be only the first step to ensuring oral chemotherapy drugs are accessible and affordable during a hearing held by the House Oversight's health care and financial services subcommittee this week, with other changes they're seeking including cracking down on vertical integration between insurers and pharmacy benefit managers (PBMs).

The subcommittee met Tuesday (Sept. 15) to discuss factors driving up the costs of oral chemotherapy drugs, and subcommittee Chair Glenn Grothman (R-WI) pointed to PBM practices as among the most significant factors, including formulary tier placements that result in expensive copays, and utilization management tools like prior authorization and "fail first" step therapy policies that prevent patients from accessing the drugs until other options have been tried and proven ineffective.

"Unsurprisingly, about one in 10 patients never pick up their medication at all. Think about that. They got cancer, and one in 10 times I'm not even going to pick it up. A cancer patient walks into a pharmacy holding a prescription that could save their life, only to leave empty-handed because they cannot afford it," Grothman (R-WI) said in his opening remarks.

Grothman said that it's the business decisions of the country's top PBMs and the health insurers that own them that allow them to profit from, in essence, letting these patients die.

Grothman and a bipartisan group of five other house lawmakers re-introduced the Cancer Drug Parity Act last year, a bill that aims to ensure oncology medications are as affordable as intravenous (IV) chemotherapy treatments, requiring insurers to provide the same coverage for both methods of administration.

The bill would specifically expand oral parity protections to privately insured patients whose health care is regulated at the federal level, and it would prevent insurers from covering oral and self-administered medicines at different cost-sharing rates than IV chemotherapy.

But Ted Okon, executive director of the Community Oncology Alliance, told lawmakers that while passage of the bill is crucial to level the playing field for coverage of oral oncology drugs, it's only the first of several actions Congress must take to crack down on harmful insurance and PBM policies. Okon said Congress should build on the Cancer Drug Parity Act and other bills that intend to remove coverage delays and denials.

"Parity is just the floor. Access and affordability are the goal," Okon said in his testimony before the subcommittee. "If a patient pays thousands of dollars for a medically necessary cancer drug, it offers little comfort that the co-insurance is technically equal to another benefit. Our collective goal should be to minimize the financial burden on patients receiving potentially life-saving cancer treatment."

Okon, along with Sheetal Kircher, a clinical practice director at Northwestern University, and Anthony Wright, executive director of FamiliesUSA, all said insurers and PBMs create numerous obstacles that either block patients from accessing oral cancer drugs -- even when it's the preferred treatment method of the provider -- or further increase the already high cost of the drugs. They said vertical integration between insurers and PBMs, along with patent practices by brand-name drug companies, compound the problem.

Kircher said many providers sometimes retract their original recommendation of an oral chemotherapy for patients and revert to IV treatment just because it's easier to obtain approval from the insurer.

In addition to the Cancer Drug Parity Act, witnesses called on the subcommittee to also support legislation to prohibit the use of inappropriate step therapy and non-medical switching policies by insurers and PBMs, to lower the fixed co-insurance patients must pay for medically necessary oncology drugs, and to streamline the prior authorization process for the medications.

Wright, the minority witness, urged lawmakers to follow the examples of state marketplaces have already taken to establish standardized plans to ensure essential benefits and fair and value-based cost sharing. Wright noted that more than half of all states have passed copay caps for prescription drugs, including eight states that have specific caps for specialty drugs like oral chemotherapy medications. At least 43 states have also passed parity laws for oral cancer drugs.

Wright also urged lawmakers expand the scope of Medicare drug price negotiation and to reverse the cuts made to Medicaid through last year's reconciliation legislation, the One Big Beautiful Bill Act, to restore health care and prescription drug coverage to cancer patients that may have lost their insurance.

“None of this conversation means anything to people who are uninsured or underinsured. People who are uninsured live sicker, die younger, or are one emergency away from financial ruin. Reversing the cuts that have been made and trying to further expand coverage is a direction we need to go to properly honor cancer patients and make sure that they are covered,” Wright said.

The hearing comes as the cancer centers across the country are facing troubling shortages of key generic medications -- including the generic chemotherapies ifosfamide, cisplatin and carboplatin injection, and the bladder cancer immunotherapy Bacillus Calmette-Guérin (BCG).

FDA tells *Inside Health Policy* it is actively working with manufacturers and other stakeholders to mitigate the impact of the shortage and support patients’ access to treatment.

“This includes engaging with manufacturers to understand supply constraints, identifying opportunities to increase available supply and helping to facilitate actions that may alleviate the shortage as quickly as possible, including potential temporary importation, where appropriate, to help bridge supply gaps,” FDA told *IHP*. -- Gabrielle Wanneh (gwanneh@iwpnews.com)