



## Pennsylvania's Oral Anticancer Treatment Access Law: What Clinicians Need to Know

### **Outdated coverage policies in Pennsylvania USED TO limit cancer patients' access to lifesaving drugs!**

Traditionally, IV chemotherapy treatments are covered under a health plan's medical benefit where the patient is required to pay an office visit copay, usually between \$20 and \$30. Conversely, oral anticancer medications are covered under a health plan's prescription benefit and, many times, patients are responsible for extremely high and unmanageable copays, creating an enormous barrier for patients to access orally administered drugs. According to a recent study published in the Journal of Oncology Practice and American Journal of Managed Care, 10% of cancer patients failed to fill their initial prescriptions for oral anticancer medications due to high out-of-pocket costs.

### **Legislative Solution**

In an effort to remove barriers to accessing lifesaving treatments for cancer patients, Pennsylvania enacted legislation, effective January 1, 2016, that directs health benefit plans that provide coverage for cancer chemotherapy treatment to extend coverage for orally administered anticancer medication at a cost equal to the cost of intravenously administered or injected anticancer medications. **To view Pennsylvania's oral parity law, please see next page.**

### **What Does This Mean for Patients?**

If a patient is *privately insured (the law does not apply to Medicare)*, and their plan covers chemotherapy, an FDA-approved, orally administered drug should have the same out-of-pocket costs for the patient as an intravenously administered drug.

### **What to do if an insurance plan does not comply & to find out if the law applies to your health plan:**

You can file a complaint with the Pennsylvania Department of Insurance Consumer Affairs Division at <http://www.insurance.pa.gov/Consumers/File%20a%20Complaint/Pages/default.aspx> or call 1-877-881-6388. For information about our oral parity work in Washington, DC, please go to: [peac.myeloma.org](http://peac.myeloma.org).



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THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL  
No. 60 Session of 2015

INTRODUCED BY BAKER, BENNINGHOFF, COHEN, TOEPEL, V. BROWN, FREEMAN, BARRAR, BROWNLEE, LONGIETTI, KILLION, SAMUELSON, DIGIROLAMO, TOPPER, RAPP, CAUSER, A. HARRIS, KNOWLES, KAUFFMAN, OBERLANDER, D. COSTA, MILLARD, WATSON, CUTLER, EVERETT, MURT, JAMES, DeLUCA, HAHN, GABLER, GINGRICH, ZIMMERMAN, PICKETT, GIBBONS, DEAN, MENTZER, EMRICK, BIZZARRO, PHILLIPS-HILL, MOUL, PYLE, REGAN AND McCARTER, JANUARY 21, 2015

AS AMENDED ON THIRD CONSIDERATION, IN SENATE, JUNE 27, 2016

AN ACT

Amending the act of May 17, 1921 (P.L.682, No.284), entitled "An act relating to insurance; amending, revising, and consolidating the law providing for the incorporation of insurance companies, and the regulation, supervision, and protection of home and foreign insurance companies, Lloyds associations, reciprocal and inter-insurance exchanges, and fire insurance rating bureaus, and the regulation and supervision of insurance carried by such companies, associations, and exchanges, including insurance carried by the State Workmen's Insurance Fund; providing penalties; and repealing existing laws," in casualty insurance, providing for coverage for oral anticancer CHEMOTHERAPY medications.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. The act of May 17, 1921 (P.L.682, No.284), known as The Insurance Company Law of 1921, is amended by adding a section to read:

Section 631.1. Coverage for Oral Anticancer CHEMOTHERAPY Medications.--(a) Whenever a health insurance policy provides coverage that includes coverage for cancer chemotherapy or anticancer INTRAVENOUSLY ADMINISTERED OR INJECTED CHEMOTHERAPY medications which have been approved by the United States Food and Drug Administration for general use in the treatment of cancer, the policy shall not provide coverage or impose cost sharing for a prescribed, orally administered anticancer CHEMOTHERAPY medication on a less favorable basis than the coverage it provides or cost



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sharing it imposes for intravenously administered or injected cancer CHEMOTHERAPY medications.

(b) A health insurance policy shall not comply with this section by imposing an increase in cost sharing solely for orally administered, intravenously administered or injected cancer medications. CHEMOTHERAPY MEDICATIONS GREATER THAN THE POLICY'S COST-SHARING PROVISIONS FOR MEDICAL BENEFITS GENERALLY. INCREASE COST SHARING FOR CHEMOTHERAPY MEDICATIONS IN ORDER TO AVOID COMPLIANCE WITH SUBSECTION (A). A HEALTH INSURANCE POLICY MAY INCREASE COST SHARING FOR CHEMOTHERAPY MEDICATIONS IF AN INCREASE IS APPLIED GENERALLY TO OTHER MEDICAL OR PHARMACEUTICAL BENEFITS ADMINISTERED IN A SIMILAR HEALTH CARE SETTING UNDER THE CONTRACT.

(c) The prohibitions in subsections (a) and (b) do not preclude a health insurance policy from requiring an enrollee to obtain prior authorization before orally administered anticancer CHEMOTHERAPY medication is dispensed to the enrollee. AS PART OF PRIOR AUTHORIZATION, AN INSURER MAY CONSIDER THE MEDICAL NECESSITY AND COST OF ORAL CHEMOTHERAPY MEDICATIONS COMPARED WITH INTRAVENOUSLY ADMINISTERED OR INJECTED CHEMOTHERAPY MEDICATION.

(D) THIS SECTION SHALL APPLY ONLY TO ORAL CHEMOTHERAPY MEDICATIONS WHERE AN INTRAVENOUSLY ADMINISTERED OR INJECTED CHEMOTHERAPY MEDICATION IS NOT EQUALLY MEDICALLY EFFECTIVE.

(E) THIS SECTION SHALL APPLY TO A HIGH DEDUCTIBLE HEALTH PLAN ONLY, AS DEFINED IN SECTION 223(C)(2) OF THE INTERNAL REVENUE CODE OF 1986 (PUBLIC LAW 99-514, 26 U.S.C. § 223(C)(2)), ONLY AFTER THE COVERED PERSON'S DEDUCTIBLE HAS BEEN SATISFIED FOR THE YEAR.

(d) (F) (E) This section shall apply to those health insurance policies issued or entered into or renewed on or after the effective date of this section.

(e) (G) (F) As used in this section:

"Anticancer CHEMOTHERAPY medication" means a drug or biological product that is used to kill, slow or prevent MEDICATION PRESCRIBED BY A TREATING PHYSICIAN HEALTH CARE PRACTITIONER THAT IS NECESSARY TO KILL OR SLOW the growth of cancerous cells.

"Cost sharing" means the cost to an individual insured under a health insurance policy according to any coverage limit, copayment, coinsurance, deductible or other out-of-pocket expense requirements imposed by the policy, contract or agreement.

"Health insurance policy" means any individual or group health, sickness or accident policy, or subscriber contract or certificate offered, issued or renewed by an entity subject to one of the following:

(1) This act.

(2) The act of December 29, 1972 (P.L.1701, No.364), known as the "Health Maintenance Organization Act."



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(3) 40 Pa.C.S. Ch. 61 (relating to hospital plan corporations) or 63 (relating to professional health services plan corporations).

The term does not include accident only, fixed indemnity, limited benefit, credit, dental, vision, specified disease, Medicare supplement, Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) supplement, long-term care or disability income, workers' compensation or automobile medical payment insurance.

Section 2. The addition of section 631.1 of the act applies as follows:

(1) For health insurance policies for which either rates or forms are required to be filed with the Insurance Department or the Federal Government, section 631.1 of the act shall apply to any such policy for which a form or rate is first filed on or after the effective date of this section.

(2) For health insurance policies for which neither rates nor forms are required to be filed with the Insurance Department or the Federal Government, section 631.1 of the act shall apply to any such policy issued or renewed on or after 180 days after the effective date of this section.

Section 3. This act shall take effect immediately.