

April 14, 2009

RE: AN ACT to amend the to amend the
Insurance law, in relation to policy coverage
of chemotherapy treatment

A.7355-A (Lopez, V)
S.5864 (Hassell-Thompson)

MEMORANDUM IN OPPOSITION

Submitted on behalf of the Blue Cross and Blue Shield Plans

The New York State Conference of Blue Cross and Blue Shield plans respectfully opposes this bill, which attempts to establish “parity” between chemotherapy treatments administered intravenously and those administered orally. As drafted, the requirements of this bill are ambiguous and will create a confusing benefit that has the potential to limit important patient protections.

The bill requires access to orally administered anti-cancer drugs “on a basis no less favorable than intravenously administered or injected cancer medications.” The sponsors do not define the parity they are attempting to achieve. There may be sound clinical reasons to treat orally-administered chemotherapy differently from treatments provided intravenously. While the latter is performed under the immediate supervision of health care professionals, orally-administered chemotherapy is typically self-administered and therefore not subject to the same rigorous oversight. Indeed, a study conducted by the Dana-Farber Cancer Institute and published in the British Medical Journal found “[f]ew of the safeguards routinely used for infusion chemotherapy have been adopted for oral chemotherapy at US cancer centres. There is currently no consensus

at these centres about safe medication practices for oral chemotherapy.”¹ Of 42 responding centers, 10 reported a serious adverse drug event related to oral chemotherapy and 13 reported a serious near miss. While this bill purports to address cost parity, as drafted it could have the effect of limiting important utilization management and care coordination safeguards.

As the sponsors point out, injectible medications are typically covered in a medical benefit, while, because they are prescribed drugs, orally administered medications are covered by the plan’s prescription benefit. Mandating a prescription drug benefit on policies which do not cover prescription drugs, causes numerous administrative difficulties, including pharmacy network issues, claims payment systems problems and consumer confusion. Moreover, it is unclear what is meant by “parity” when comparing two dramatically different treatment modalities.

Finally, we strongly oppose the enactment of any health insurance mandates while the Mandate Review Commission, required by law since 2007, remains an entity on paper only. The Commission is charged with evaluating the costs and benefits of mandates and their impact on New York’s health insurance market. This comprehensive analysis is critical to ensuring the affordability of health insurance for New Yorkers and we urge that the Commission begin this important work.

Respectfully submitted,

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¹ Weingart, et.al. “Oral chemotherapy safety practices at US cancer centres: questionnaire survey.” BMJ 12 January 2007. BMJ.doi:10.1136/bmj.39069.489757.55