

## Managed Oncology Service

### Patient Cost Sharing for Oncology Medications

High levels of patient cost sharing can impact product access and patient compliance. Manufacturers must be aware of how patient cost sharing is evolving as health plans work to improve their ability to manage the high costs of oncolytics. HIRC's report, *Oncology Patient Cost Sharing*, addresses the following questions:

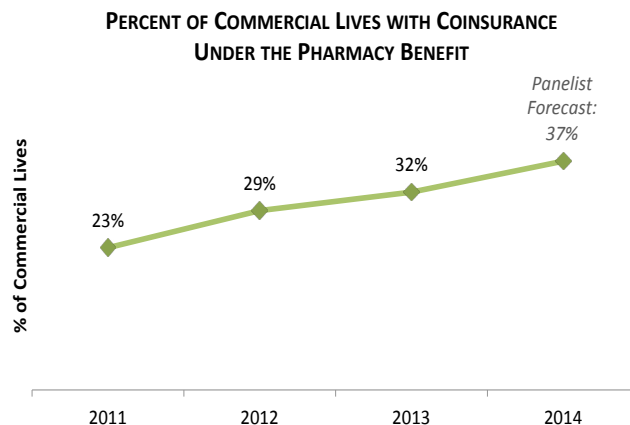
- What is the benefit location for oncology medications across key cancer types and which products have the best overall coverage?
- Which strategies are health plans utilizing to manage oncolytics?
- What are the trends in patients' financial responsibility for oncology medications?
- What types of copays - fixed dollar or coinsurance - have been most common in recent years? How do plans expect to cover these medications in the future?
- What are the trends in out-of-pocket (OOP) limits and deductible usage and amounts?

#### Key Finding:

*Commercial health plan members continue to absorb more of the overall cost of oncology medications under the pharmacy and medical benefits.*

### Up to 50% of Commercial Lives May Have Coinsurance for Oncolytics Under the Pharmacy Benefit by 2017

Health plans continue to shift from fixed copays to coinsurance for oncology medications under the pharmacy benefit. Although still predominant, fixed copays for oncology medications has declined since 2011, while coinsurance has increased from 23% of lives in 2011 to 32% in 2013. Panelist forecasts suggest the trend will continue into 2014. Should this trend hold, HIRC predicts that up to



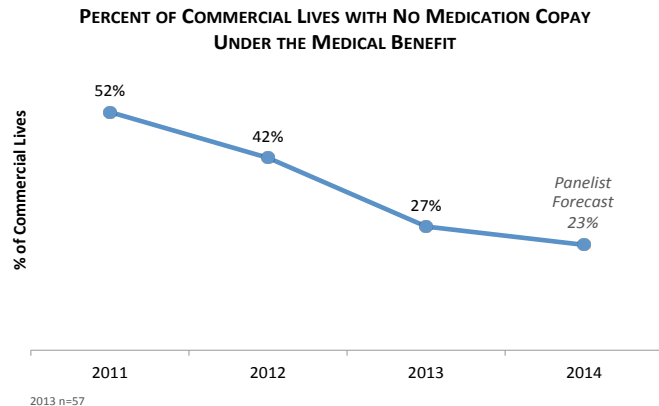
50% of commercial lives could have coinsurance for oncolytics under the pharmacy benefit by 2017.

A complete review of patient cost sharing trends across the pharmacy and medical benefits is provided in the full report, *Oncology Patient Cost Sharing*.

2013 n=57; Starting in 2013, panelists were asked to break out the percentage of commercial lives enrolled in high deductible health plans (included with coinsurance)

## The Percent of Commercial Members with No Copay Under the Medical Benefit Continues to Decrease

Patient cost sharing for oncology medications is rising in the medical benefit as the percentage of commercial members with no copay continues to decrease. In 2011, 52% of commercial members had no copay under the medical benefit, compared to 27% in 2013. Plans are incorporating cost sharing for medications in the form of coinsurance and fixed copays. Panelists expect this trend to continue into 2014.



The complete report, *Oncology Patient Cost Sharing*, also discusses health plans' evolving strategies to manage oncolytics and reviews the location of benefit for the following 28 oncology medications:

- Breast Cancer: AFINITOR, ARIMIDEX, NOLVADEX, PERJETA, TYKERB
- Colorectal Cancer: ERBITUX, STRIVARGA, XELODA, ZALTRAP
- Chronic Myeloid Leukemia: BOLSULIF, GLEEVEC, ICLUSIG, SPRYCEL, SYNRIPO, TASIGNA
- Lung Cancer: TARCEVA, XALKORI
- Melanoma: DOXIL, SYLATRON, YERVOY
- Multiple Myeloma: REVLIMID, VELCADE
- Prostate Cancer: CASODEX, XTANDI, ZYTIGA
- Renal Cell Carcinoma: INLYTA, SUTENT, VOTRIENT

## Report Availability

In January - February 2013, HIRC surveyed 57 pharmacy and medical directors from leading commercial health plans representing over 81 million lives. A combination of online surveys and follow-up telephone interviews were used to gather in-depth information regarding oncology medication management trends. The *Oncology Patient Cost Sharing Report* report is part of the *Managed Oncology Service*, and is now available to subscribers at [www.hirc.com](http://www.hirc.com).

**The Managed Oncology Service** offers insights, analyses and recommendations specific to oncology that are focused on manufacturer value-added programming, account management support, patients' cost burden, and developing management trends, such as clinical pathways.

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# HIRC

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