

**Rising Oncology Medication Costs and the
Impact on Patients | *New Research Highlights
the Societal Implications of Rising Costs***

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The costs associated with life-saving or life-extending oncology medication are becoming unsustainable.

The need for solutions to the rising costs of medication has reached a critical point for patients and their families. The rise in costs shows no obvious signs of reversing course and few, if any, solutions are being discussed. The goal to provide the best patient care possible is getting lost as patients struggle to afford treatment.

According to ASCO, newly approved cancer drugs cost an average of **\$10,000 per month**, with some therapies topping **\$30,000 per month**. Prices on older drugs are also rising. Insurance may cover some of the costs associated with medication and treatment, and manufacturers offer some discounts, but the dramatic increase in costs is becoming too great a burden for patients and their families to bear. Patients have shifted their decision-making away from which treatments are best for their health, to which treatments they can afford, if they can afford treatment at all. Highlighting the significance of this shift is a recent quote from Dr. Syed Yousuf Zafar at Duke's Cancer Institute - "As oncologists, we spend a great deal of time talking to patients about the long-term physical side effects of treatment," he said. "We could do a better

job of talking about the potential for financial harm." (Reuters, Jan 2016)

In this January 2016 article by Reuters, entitled **"Debt, Bankruptcy are Rewards for Cancer Survivors,"** the authors highlight the financial toll of higher costs. The increase in medication costs causes financial hardship for patients and families, a dramatic increase in bankruptcy rates, and a fundamental shifting of their lifestyles in order to survive. Bankruptcy rates among those with a history of cancer are said to be **more than two times higher** than those without a history of cancer.

There are both medical *and* societal implications to the issue of rising oncology medication costs. A cancer diagnosis is devastating enough, but now patients face the uncertainty of whether they can even afford treatment and, if so, what they and their family will have to sacrifice in order to do so. Much has recently been written that highlights specific examples of patients and their families being faced with difficult choices associated with the financial implications of choosing various cancer therapies.

Patients aren't the only ones speaking out about the issue. In fact, recently a group of more than 100 Oncologists went public with their concerns and a call for action. Shared in a Wall Street Journal article, the group of Oncologists addresses the very issue of tradeoffs associated with higher costs.

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New Research Highlights the Societal Implications of Rising Costs



Patients “have to make difficult choices between spending their incomes [and liquidating assets] on potentially lifesaving therapies or forgoing treatment to provide for family necessities,” the doctors write in Mayo Clinic Proceedings, a monthly peer-reviewed journal. **As a result, about 10% to 20% of cancer patients don’t take their treatment as prescribed,** the doctors say. (WSJ, 2015)

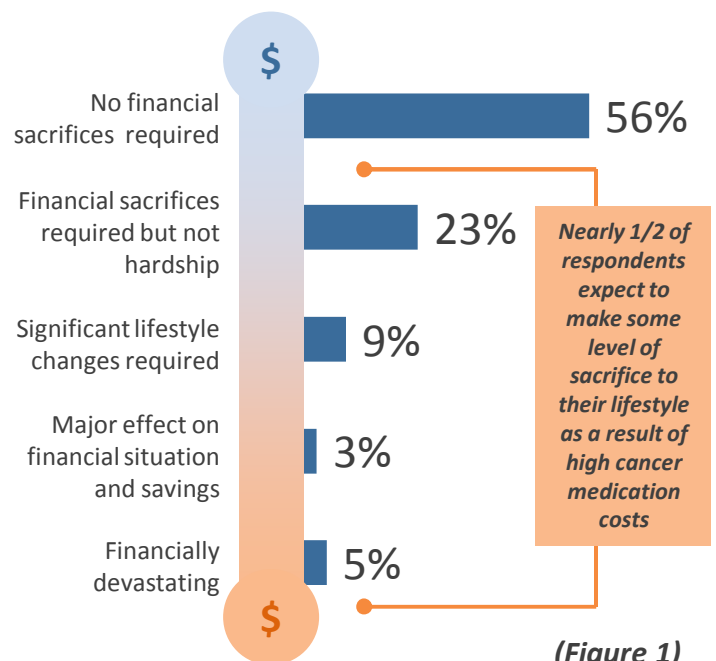
MarketVision Research has an on-going research initiative that intends to highlight and explore key issues in the healthcare and pharmaceutical space. We are interested in understanding - in more detail than what is available in the general media - the extent to which the cost of cancer medications is **directly impacting patients and their families,** and how.

There are both medical *and* societal implications to the issue of rising oncology medication costs.

In order to address this question, we have begun working directly with cancer patients and their families to understand the nature of hardships they face as a result of rising costs of oncology medication; the tradeoffs families are making, the sacrifices they make, and how these impact decisions they make about their treatment and quality of care.

MarketVision spoke with more than 200 cancer patients, selected from the Research Now patient panel and screened on a variety of issues including cancer types, timing and severity of diagnosis, and length of treatment. Patients were asked their opinion on a variety of topics relating to the issue of oncology medication and manageability of expenses associated with treatment.

This research shows **nearly 1 of every 2 cancer patients have had to make lifestyle changes as a result of medication costs.** (MarketVision Research, 2015) The sacrifices run the gamut from not being able to fund a retirement account to not being able to pay childrens’ college tuition, or in some cases, making the decision not to spend \$100,000 or more for treatment which promises only to extend life by two additional months.



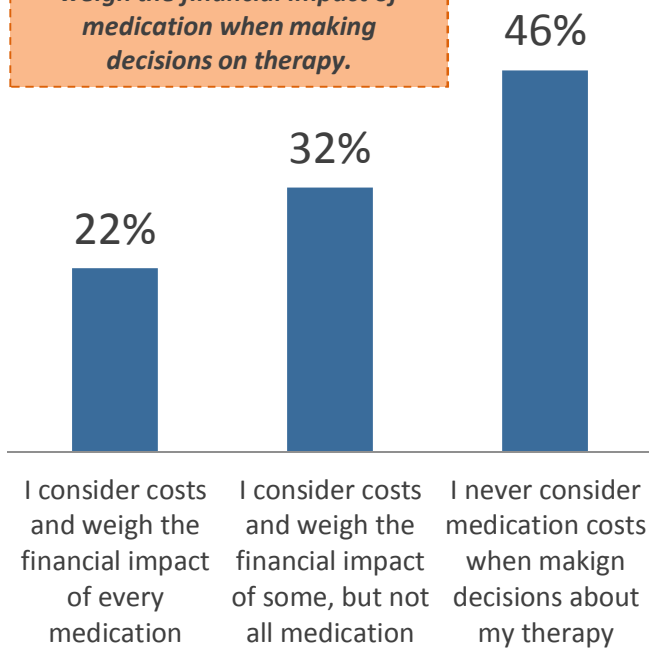
Rising Oncology Medication Costs and the Impact on Patients

New Research Highlights the Societal Implications of Rising Costs



The reaction by a patient to a cancer diagnosis is no longer simply about getting treatment and focusing on the potential for success and survival. It's now also about the crushing burden of costs and whether they can afford the treatment which might provide the greatest hope.

More than 1/2 consider costs and weigh the financial impact of medication when making decisions on therapy.

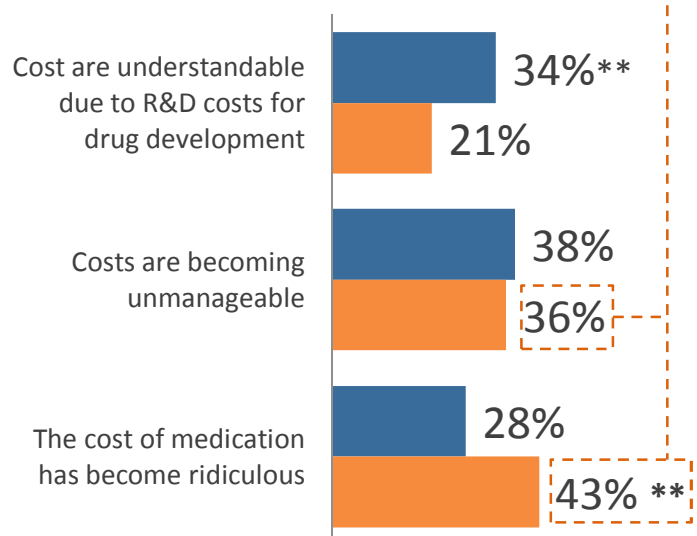


(Figure 2)

There is a high level of anxiety associated with costs, and the financial distress alone can impact a patient's health. As referred to by some as Financial Toxicity, the increased burden of costs itself becomes a factor influencing a patient's health, either

through treatment decisions that don't provide the highest quality of care or financial sacrifices that lower quality of life. Research suggests this toxicity may be linked to greater mortality. (Oxford Journal, November 2015) Not surprisingly, patients at lower income levels tend to be impacted more than other groups. In addition, females show a much greater level of concern about the medication and treatment costs than men and tend to take more action in understanding the options. This response is more pronounced among younger patients and those whose length of therapy is less than one year.

Nearly 80% of women believe costs are becoming or are already unmanageable



(**) indicates statistically significant at a 95% confidence level

(Figure 3)

Male (A) Female (B)

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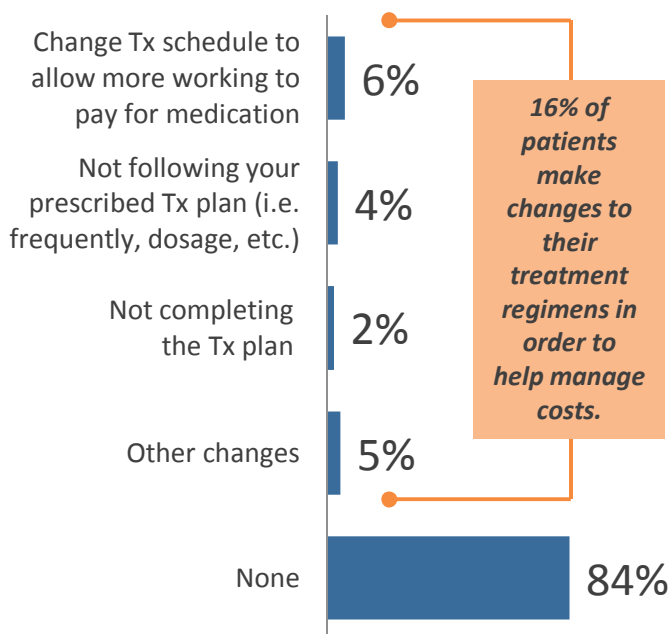
New Research Highlights the Societal Implications of Rising Costs



Patients are making hard decisions in order to pay for care and treatment. These decisions often include non-compliance to medication (*using smaller doses of medication or taking drugs less frequently than recommended to make the refill go further*), or changing treatment schedules to allow more time to work to pay for treatment.

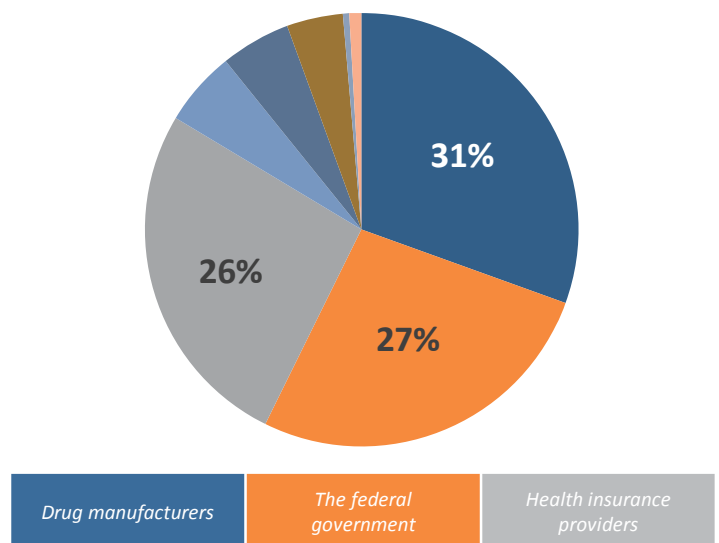
This research shows nearly 1 of every 2 cancer patients have had to make lifestyle changes as a result of medication costs.

Changing treatment plans means there's less potential for treatment to be effective, but patients are struggling to make payments and simply cannot continue treatment as recommended.



(Figure 4)

When asked who was to blame for the rising costs, the response by patients was varied and highlights the confusion surrounding the healthcare process and who makes decisions and what factors influence pricing. **Just over 1/3 of patients blame the manufacturers, with nearly 1/3 of the patients blaming the government and the final 1/3 of patients blaming insurance companies.**



(Figure 5)

Our on-going research program is intended to address issues of relevance to the healthcare and pharmaceutical industries, and specific to this piece of research, help humanize the impact of rising costs. So much of the broader discussion is focused on the battle over pricing among manufacturers, providers, insurance companies, and government. Let's not forget the human element.

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New Research Highlights the Societal Implications of Rising Costs



The issue of cost for cancer drugs has begun to generate responses from clinicians. ASCO recently released a “value algorithm” designed to assess the potential value of a therapy for a specific patient. Cost is clearly a fundamental variable in that equation. Perhaps the most expensive drug is not the most appropriate? Are there less expensive alternatives that offer comparable outcomes?

Patients have shifted their decision-making away from which treatments are best for their health, to which treatments they can afford.

Clinicians are slowly beginning to integrate the cost factor into their assessment of therapeutic options and are including the cost dimension in their conversation with patients and their family. While recognition of the issue is a critical first step, it does little to suggest a solution to the growing problem.

The recently launched “Moonshot” initiative has garnered significant media attention but has yet to suggest how its efforts will impact cost escalation. While efforts to reduce the cost of R & D are valuable and better data access and sharing can make the R & D process more efficient and timely, there has been no overt focus on what can be done to address the issue of cost to the patient and his/her family.

Recently, pharmacy service providers such as Express Script and CVS have made decisions to not include certain medications on their formularies. While the therapeutic areas most impacted do not include cancer, the precedent is profound. These pharmacy providers are essentially taking the therapy choice decision away from the physician and the patient. Such an option, while directly addressing the cost situation, seems to be one that may limit therapeutic options.

Without a cohesive plan of action for addressing the increasing costs of critical medication, one which includes consideration for the role of manufacturers, insurance companies, providers, and government in the process, the patient and the patient’s family is left to carry a heavier than expected burden. The issue is not whether we want the best medications in the world to treat oncology. It’s clear we do. Unfortunately if patients whom we intend to treat with approved medication can’t afford the treatment, then its potential is limited and the original purpose of providing quality care is lost.

Articles for Reference

[Debt and Bankruptcy are Rewards for Cancer Survivors](#)

[Financial Toxicity and Cancer Costs](#)

[Doctors Object to High Cancer-Drug Prices](#)