Oral Parity
Community Oncology Alliance Position Statement

Community Oncology Alliance Position:
The Community Oncology Alliance (COA) strongly supports the passage of a federal oral parity law. As of 2019, oral parity laws have passed in 43 states and the District of Columbia; four states have active campaigns; and there is no proposed law in three states. However, these laws differ significantly from state to state. The only solution to protect all patients with cancer is a federal law mandating oral parity. Anything less may cause oral drugs, amongst the newest and most effective chemotherapy agents and an ever-increasingly proportion of the drugs in development, to be cost-prohibitive for patients with cancer and could relegate those patients to less effective treatment options.

Background:
What are Oral Parity Laws?
Oral parity laws were, until now, state legislation by which oral chemotherapeutic agents are provided under no less favorable financial terms than infused chemotherapy. In many cases, oral drugs have replaced infused drugs as the only option, or the preferred option, for best clinical practices. Traditional IV/injectable treatments are routinely covered under the medical benefit component of a health insurance plan, while orally administered anti-cancer medications are generally covered under the prescription drug component, which often results in a considerable disparity in cost. Although oral parity laws have been passed in most states, not all patients with cancer are covered by benefit programs regulated by their state’s oral parity law. Without oral parity laws, many oral cancer drugs would be cost prohibitive.

Why is Oral Parity Important?
Today, tens of thousands of cancer patients rely on an oral therapy. For patients living with certain cancer diagnoses, an oral drug is the only one available to treat their maladies. Many more of these cancer-fighting pills are on the way as well. It goes without saying, oral versus intravenous therapy contributes significantly to a patient’s improved quality of life.

With oral therapies having become central to the treatment of cancer, common sense would suggest health insurance should cover these therapies at a level similar to that provided for cancer therapies administered via other methods. But, shockingly, cancer patients who require oral therapy typically face much higher cost-sharing for their treatments than do patients who need IV therapy—even if the two drugs cost the same to the health plan.

Why are Federal Laws Necessary?
There is wide variance amongst the state oral parity laws. The most common variance is that a state’s parity law only covers those benefit programs that are regulated by the state. In some states, every employee benefit program is regulated by the state and state law assures oral parity. In other states, not every employee benefit program is regulated by the state. As a result, the state oral parity law does not apply to drugs dispensed as part of those benefit programs not regulated by the state. A federal law or laws would protect the millions of Americans whose employer-sponsored health plans are not state regulated.
Summary:

With oral drugs comprising of roughly 35 to 40 percent of the new drugs in development, oral therapies are the future of cancer care. A federal law would ensure that every patient has affordable access to those drugs and protect those patients with cancer who are not covered by their state’s oral parity law.

COA has joined with almost 30 other national cancer organizations in support of H.R.1730 - Cancer Drug Parity Act of 2019. When passed, this law will assure oral parity to all patients with cancer, no matter what state they live in or what type of cancer or insurance they have.

Date:

Approved by the Board of Directors of COA on September 16, 2019.

References:


3 Ibid.