Attachment A

Fact vs. Fiction
SB 250
Oral Chemotherapy Parity Legislation

Fiction: Kaiser has said that to treat 500 Colorectal cancer patients for one year, the IV cost is $850,000 and the Oral cost is $9.3 million.

Fact: **April 1, 2009 Cancer article (attached) looked at this exact regimen in 4973 Colorectal cancer patients. The title of the article says it all:**

Costs Associated With Complications Are Lower With Oral Than With IV in patients With Colorectal Cancer

- **When acquisition, administration and complication costs were taken into consideration, there were no significant differences in the total cost between oral regimen and IV regimen.**

- **Conclusion: Oral compared well with IV therapy in patients with CRC and was associated with lower complication rates and associated costs.**

Fiction: This bill will drive significant costs to consumers and raise premiums.

Facts: **CA Health Benefits Review Program, April 17, 2009, Analysis of CA Oral Chemo bill**

- **Utilization of oral anticancer medications is not expected to increase. Therefore:**
    - **The potential public health impact is a reduction in out-of-pocket costs for oral anticancer medications. This could reduce the financial burden and related health consequences faced by cancer patients.**
    - **Increases as measured by Per Member Per Month (PMPM) payments are estimated to range from approximately $0.03 to $0.80.**
- **In Oregon, where an identical bill to SB 250 has been implemented, only 9 of 79 health insurance rate increase filings cited the oral chemotherapy parity as a factor and in all cases the cited percentage impact was minimal.**

SB 250 simply:

- Creates parity for patients
- Allows physician choice
- Gives flexibility to health plans

Original Article

Costs Associated With Complications Are Lower With Capecitabine Than With 5-Fluorouracil in Patients With Colorectal Cancer

Edward Chu, MD[1], Kathy L. Schulman, MA[2], Susan Zelt, DrPH, MBA[3], and Xue Song, PhD[2]

BACKGROUND: Capecitabine, an oral alternative to 5-fluorouracil (5-FU) in patients with colorectal cancer (CRC), has equal clinical efficacy and a favorable safety profile; however, its use may be limited because of unit cost concerns. In this study, the authors measured the cost of chemotherapy-related complications during treatment with capecitabine- and 5-FU–based regimens. **METHODS:** Patients with CRC who received at least 1 administration of capecitabine or 5-FU during 2004 and 2005 were identified from the Thomson MarketScan research databases. Monthly frequency and cost for 23 complications were recorded. Logistic regression was used to predict complication probability. General linear models were used to predict monthly complication cost and total monthly expenditure. **RESULTS:** In total, 4973 patients with CRC met the inclusion criteria for this analysis. Although the most frequently observed complications were the same between capecitabine and 5-FU (nausea and vomiting, infection, anemia, neutropenia, diarrhea), each was observed with greater frequency in 5-FU–based regimens. The mean predicted monthly complication cost was significantly higher (by 136%) with 5-FU monotherapy than with capecitabine monotherapy (difference, $601; 95% confidence interval [95% CI], $469-$737). In addition, the mean predicted monthly complication cost for 5-FU + oxaliplatin was higher than the cost with capecitabine plus oxaliplatin (difference, $1165; 95% CI, $892-$1595). When acquisition, administration, and complication costs were taken into consideration, there were no significant differences in the total cost between capecitabine regimens and 5-FU regimens. **CONCLUSIONS:** Capecitabine compared well with 5-FU–based therapy in patients with CRC and was associated with lower complication rates and associated costs. **Cancer 2009;115:1412–23.**

KEY WORDS: capecitabine, 5-fluorouracil, oxaliplatin, combined capecitabine and oxaliplatin, combined 5-fluorouracil, leucovorin, and oxaliplatin, colorectal cancer, complications, pharmacoeconomics.

Fluoropyrimidine -based therapy has improved median survival significantly in patients with metastatic colorectal cancer (CRC), from 6 months with best supportive care to about 20 months with 5-fluorouracil (5-FU) combined with either oxaliplatin or irinotecan (with or without bevacizumab).[1,2]

Corresponding author: Edward Chu, MD, Yale Cancer Center, Yale University School of Medicine, 333 Cedar Street, WWW-221, New Haven, CT 06520; Fax: (203) 737-5698; chueyale@yahoo.com

[1]Section of Medical Oncology, Yale Cancer Center, Yale University School of Medicine, New Haven, Connecticut; [2]Thomson Healthcare, Thomson Reuters, Cambridge, Massachusetts; [3]Medical Data Management and Analytics, Roche Laboratories, Inc., Nutley, New Jersey

We thank Lynda Wiseman, PhD, and Steven Melvin, who provided medical editing and styling assistance, and Nicole Morandi, MA, of Thomson Medstat, who provided statistical assistance in the preparation of this article.

Received: May 15, 2008; **Revised:** September 29, 2008; **Accepted:** October 3, 2008

Published online: February 4, 2009, © 2009 American Cancer Society

DOI: 10.1002/cncr.24131, www.interscience.wiley.com