PCN165

INNOVATIVE PRICING MECHANISMS FOR THERAPIES FOR ADVANCED CANCERS

Wight CG, Tolley K

GallieneWight Ltd., Polegate, UK

OBJECTIVES: Despite advanced financing, prices for many cancer medicines remain based upon the content of the delivery form (e.g. infusion vial), and size of patient. This can cause uncertainty of budget impact & cost effectiveness, and is not easily related to the value delivered. New methods which bring greater certainty of budget impact & cost effectiveness, and that can be evaluated, would be valued.

25 pricing schemes were researched, and two novel pricing models developed, applicable to a range of countries were evaluated. The first approach is DRG-based pricing. DRG coding is used by most healthcare systems & is intervention specific. The second approach pays a licence fee for treatment, based on outcomes. RESULTS: Current pricing approaches are usually discounts or rebates, charged in the same manner as current pricing (e.g. mg/kg). While associated with low service burden and lower costs, this does not reduce uncertainty or bring a closer relationship to value. Utilising new approaches, such as DRG pricing or licensing for medicines enables accurate prediction for budget impact, enables price to be disease specific & based on value. Both novel methods could be developed for metastatic melanoma, NSCLC & breast cancer. Both methods are outcomes based (e.g. per month of progression free survival or overall mean or median survival), and enable purchasers to utilise medicines at a fixed budget irrespective of price/size/weight of the patient, or size, price or value for the specific disease. Both methods would require a change in the coding and purchasing method for medicines by healthcare providers.

CONCLUSIONS: New methods such as DRG or licensing could bring greater certainty of budget impact & value for specific illnesses. These methods should be piloted by healthcare systems to ensure practical application brings benefits, without high service burden.

PCN166

THE EVOLVING GLOBAL ROLE OF NONTRADITIONAL PAYERS AND REINSURANCE IN THE REIMBURSEMENT OF HIGH COST THERAPIES

Paul A. King, Jing Huang, Kristin K. Doyle, J.J. Doyle

1Quintiles Consulting, Durham, NC, USA, 2Quintiles, Durham, NC, USA, 3Quintiles, Hawthorne, NY, USA

OBJECTIVES: Manufacturers are developing an increasing number of high cost therapies, and this includes biologics, which is typically purchased by employers self-funded health plans and small group first-dollar coverage insurers, which represent approximately 60% of the privately insured population. Stop-loss carriers (SLCs) play a role in reimbursing vendors when costs pre-determine ‘thresholds’ or ‘attachment points’. In these cases, SLCs determine whether coverage is extended or not by examining all relevant information. This study analysed the time to first inclusion of oncology drugs in the Samaritan Fund (based on the most recent SF publication) and compared to the time to reimbursement in countries with a similar GDP per capita, including Taiwan, Australia, the UK and the USA, from months to years. On average, the reimbursement process in the US takes around 38, 32 and 17 weeks, respectively. This study is the first to thoroughly compare time to reimbursement in different regions, and to compare the time to reimbursement in countries with a similar GDP per capita, including Taiwan, Australia, the UK and the USA. Time to reimbursement was measured as the date of NAP for drug inclusion in Taiwan, publication of FRAC decision in Australia, publication of NICE Final Appraisal in the UK and FDA approval in the USA. RESULTS: Currently, only select high-cost oncology drugs are covered under the safety net (Samaritan Fund or SF) by the Hospital Authority in Hong Kong. Of 9 assessed drugs that are currently covered under the SF, the reimbursement coverage of all 9 drugs in Hong Kong lagged behind Taiwan, Australia, the UK and the USA, from months to years. On average, the reimbursement of oncology drugs under SF in Hong Kong was 51.9 weeks behind the USA, 42.8 weeks behind Australia, 30.4 weeks behind the UK and 20.6 weeks behind Taiwan. These numbers were similar to the median reimbursement interval between Hong Kong and the USA, Australia, the UK, and Taiwan, which were 45, 38, 32 and 17 weeks, respectively. CONCLUSIONS: The reimbursement coverage of oncology drugs is still limited and significantly delayed in Hong Kong compared to other countries with a similar GDP per capita. It not only lags behind western developed countries, like the USA, the UK and Australia, but also behind its neighbouring Asian country, Taiwan. There is therefore an urgent need for innovative solutions by the Hospital Authority to deliver access solutions for critical treatments.

PCN167

PERCEPTION OF VALUE OF NEW CANCER DRUGS: A SURVEY OF ONCOLOGISTS IN THE UNITED STATES (US)

Narayanan S

Princeton, Columbia, MD, USA

OBJECTIVES: To assess the perception of value of cancer drugs among oncologists in the US. METHODS: A cross-sectional survey of oncologists was conducted online in August-September 2014 using a large panel of physicians in the US; specifically, medical oncologists. 421 oncologists/oncology physicians currently managing >20 patients in their practice and had >2 years of practice experience were randomly selected for survey participation to be geographically representative. The survey assessed oncologists’ perception of ‘value of new cancer drugs”, the factors influencing their recommendation of cancer treatments to patients in clinical practice and other elements such as payment reforms and practice characteristics. Descriptive statistics are reported. RESULTS: 231 oncologists participated in the survey (medical oncologists: 207, surgical oncologists: 68). Geographic distribution was: Eastern US-25%, Midwest-23%/South-32%/West-16%; 53% and 47% were from hospital and private-practice settings respectively. Oncologist ranking of product attributes concerning ‘value of new cancer drugs’ (most important)-4 (least important) was (mean scores): clinical efficacy(1.4), Safety/tolerability(2.7), impact on quality of life(2.7), cost-effectiveness(3.2). Majority of oncologists noted cost of cancer drugs (63%) and patient’s out-of-pocket drug costs (79%) as somewhat/quite-a-bit/a lot influencing their cancer treatment recommendations; 90% reported (as somewhat/quite-a-bit/a lot) that cost of cancer drugs is expected to play a more significant role in influencing their treatment recommendations, over the next five years; 78% reported (as somewhat/quite-a-bit/a lot) that payer reimbursement policy limited their ability to offer certain cancer therapy to patients; 27% noted the increased use of cost-effectiveness data among payers when deciding reimbursement as neither-positive-nor-negative/somewhat negative/very negative/very positive. CONCLUSIONS: In this cohort of oncologists across the US, a significant proportion identified cancer drug cost and patient out-of-pocket costs as factors influencing their treatment recommendations. The respondents concurrently ranked drug cost-effectiveness lower than drug efficacy, safety/tolerability and impact on quality of life in their everyday clinical practice behavior warrants scrutiny.

PCN168

AMERICANS’ CANCER INFORMATION (CI) SEEKING EXPERIENCES AND SELF-EFFICACY (SE) IN SEEKING CANCER INFORMATION (CI): A CHARACTERISTIC SNAPSHOT USING 2012-13 HEALTH INFORMATION NATIONAL TRENDS SURVEY (HINTS-4 Cycle-2) DATA

Bhardari NR, Hwang M

St. John’s University, Jamaica, NY, USA

OBJECTIVES: To compare cancer information (CI) seekers’ most recent CI-seeking experiences, and b) self-efficacy (SE) in seeking CI across demographics, healthcare access, and health status. METHODS: Cross-sectional, retrospective study was conducted on a representative, non-institutionalized sample of the US population using HINTS-4 Cycle-2 data. Study sample included individuals from all 50 US states, aged 18 years and above, with access to internet, from any source (N=1097). Response categories for all CI-seeking experience except for ‘concern about quality of information’ were dichotomized as ‘yes’ and ‘no’. Similarly, response categories for several CI-seeking CI were dichotomized as ‘yes’, ‘no’, and ‘not sure’ or ‘none’. Chi-square goodness-of-fit test was applied to all variables with significance level of 0.05. Cross tabulations, Chi-square analyses were conducted, and non-computed results are presented in version 9. Results with p<0.05 were considered statistically significant. RESULTS: Greater proportion of CI seekers had characteristics as being female, Non-Hispanic White, some college degree, higher annual income, married, employed, having insurance, having a regular cancer history, with family history of cancer, or with ‘excellent’ or ‘very good’ current health effort. Requirement to seek CI differed significantly across age, race/ethnicity, education, annual income, marital status, occupation, and personal cancer history. Feeling frustrated while seeking CI differed significantly across age, annual income, marital status, and personal cancer history. CI seekers’ concern about quality of information differed significantly across annual income, insurance, and personal cancer history. Difficulty in understanding information differed significantly across age, race/ethnicity, education, annual income, marital status, occupation, and personal cancer history. CI seekers’ perceptions on day-to-day clinical practice behavior warrants scrutiny.

PCN169

AN ANALYSIS OF ONCOLOGY DRUG FINANCING IN HONG KONG

Sun S, Duttagupta S

CBPartners, New York, NY, USA

OBJECTIVES: The objective of this study was to analyse the financing options for oncology drugs in Hong Kong and estimate their time to reimbursement compared to other countries. METHODS: This study analysed the time to first inclusion of oncology drugs in the Samaritan Fund (based on the most recent SF publication) and compared to the time to reimbursement in countries with a similar GDP per capita, including Taiwan, Australia, the UK and the USA. RESULTS: Currently, only select high-cost oncology drugs are covered under the safety net (Samaritan Fund or SF) by the Hospital Authority in Hong Kong. Of 9 assessed drugs that are currently covered under the SF, the reimbursement coverage of all 9 drugs in Hong Kong lagged behind Taiwan, Australia, the UK and the USA, from months to years. On average, the reimbursement of oncology drugs under SF in Hong Kong was 42.8 weeks behind Australia, 30.4 weeks behind the UK and 20.6 weeks behind Taiwan. These numbers were similar to the median reimbursement interval between Hong Kong and the USA, Australia, the UK, and Taiwan, which were 45, 38, 32 and 17 weeks, respectively. CONCLUSIONS: The reimbursement coverage of oncology drugs is still limited and significantly delayed in Hong Kong compared to other countries with a similar GDP per capita. It not only lags behind western developed countries, like the USA, the UK and Australia, but also behind its neighbouring Asian country, Taiwan. There is therefore an urgent need for innovative solutions by the Hospital Authority to deliver access solutions for critical treatments.

PCN171

COMPARISON OF EXPECTED HEALTH IMPACTS FOR MAJOR CANCER SCREENING METHODS: A META-ANALYSIS OF INCIDENCE RATE AND LOSS OF QUALITY-ADJUSTED LIFE EXPECTANCY


1Department of Public Health, National Cheng Kung University College of Medicine, Taiwan, 2Department of Surgery, National Cheng Kung University Hospital, College of Medicine, National Cheng Kung University, Taiwan, 3Department of Radiation Oncology, National Cheng Kung University Hospital, College of Medicine, National Cheng Kung University, Taiwan, 4Department of Internal Medicine, National Cheng Kung University Hospital, College of Medicine, National Cheng Kung University, Taiwan, Taiwan

OBJECTIVES: To assess the expected health impact of major cancer screening methods: a meta-analysis of incidence rate and loss of quality-adjusted life expectancy. RESULTS: We included 266 studies, comparing 16 major cancer screening methods. The following screening methods were associated with a significant risk reduction in cancer incidence and a significant improvement of quality-adjusted life expectancy: mammography for breast cancer screening, colonoscopy for colorectal cancer screening, prostate-specific antigen (PSA) tests for prostate cancer screening, and pap smear for cervical cancer screening. The following screening methods were associated with a significant risk increase in cancer incidence and a significant decrease of quality-adjusted life expectancy: mammography for breast cancer screening, colonoscopy for colorectal cancer screening, prostate-specific antigen (PSA) tests for prostate cancer screening, and pap smear for cervical cancer screening. CONCLUSIONS: Mammography, colonoscopy, and PSA screening are effective in reducing the incidence of breast, colorectal, and prostate cancers, respectively. These screening methods should be recommended for the general population. Pap smear screening is ineffective in reducing the incidence of cervical cancer, and should be discouraged for the general population.