THE FINANCIAL TOXICITY OF CANCER CARE

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Why?

1. Treatment is expensive
2. Cost-sharing is increasing
$10,000 a month
Source: U.S. FDA, IQVIA, National Sales Perspectives, Feb 2018; IQVIA Institute, Apr 2018
Gordon et al, JCO 2017
COST VERSUS BENEFIT

\[ y = 942.54x + 79381 \]

\[ R^2 = 0.1649 \]
“Our results suggest that current pricing models are not rational but simply reflect what the market will bear.”

Mailankody and Prasad, JAMA Onc 2015
Why?

1. Treatment is expensive
2. Cost-sharing is increasing
Increase in premiums over 18 years

Kaiser Employer Health Benefits Survey, 2017

Worker earnings: 64%
Inflation: 47%
Increase in premiums over 18 years

Premiums: 224%
Worker earnings: 64%
Inflation: 47%

Kaiser Employer Health Benefits Survey, 2017
Increase in premiums over 18 years

Worker contribution to premiums: 270%
Premiums: 224%
Worker earnings: 64%
Inflation: 47%

Kaiser Employer Health Benefits Survey, 2017
Increase in deductibles over 12 years
FOUR-TIERED FORMULARIES

Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2013
Average cumulative patient out-of-pocket costs from time of diagnosis

- Lung
- Colorectal
- Breast

Months from diagnosis:

0 5 11 17 23 29 35 41 47

Costs:

- $2,000
- $4,000
- $6,000
- $8,000
- $10,000
- $12,000
MONTHLY BANKRUPTCY RATES, WESTERN WASHINGTON STATE

Bankruptcy reform act goes into effect

Bankruptcy reform act signed into law

Ramsey et al, Health Affairs 2013
MONTHLY BANKRUPTCY RATES, WESTERN WASHINGTON STATE

2.65x
RISK OF BANKRUPTCY

Ramsey et al, Health Affairs 2013
MONTHLY BANKRUPTCY RATES, WESTERN WASHINGTON STATE

7,570 matched patients

79% greater mortality risk

HR 1.79 (1.64, 1.96)

Ramsey et al, JCO 2015
Extreme financial distress → ? → Greater risk of mortality
Extreme financial distress → Well-being → Greater risk of mortality
- Foregone vacations: 68%
- Cut grocery expenses: 46%
- Depleted savings: 46%

n=254
Zafar et al, Oncologist 2013
50% willing to declare bankruptcy

39% willing to sell their home

73% willing to spend less on food/clothing
Extreme financial distress → Health-related quality of life → Greater risk of mortality
High financial burden:

Quality of life among patients with active cancer and survivors

adjusted beta 0.06 EQ-5D unit per financial burden category; p<.001

n=1000

Zafar et al, JOP 2014
Extreme financial distress → Quality of care → Greater risk of mortality
70% higher likelihood of non-adherence

Upper 75th percentile >$53/month
aRR, 1.70; 95% CI, 1.30 to 2.22

Dusetzina et al, JCO 2013
45% WERE NON-ADHERENT

n=254

Zullig et al, J Onc Pract 2013
Extreme financial distress → Well-being
Health-related quality of life → Greater risk of mortality
Quality of care → ?
Financial distress

- Non-adherence
- Missed appointments
- Bankruptcy
- Spending savings
- Using other people’s medications
- Selling property
- Replaced prescriptions with over the counter medications
- Buying less food
- Spread out chemotherapy appointments
- Bankruptcy
- Working longer hours
- Cutting out vacations
- Missed appointments
- Using credit
- Taking fewer medications
- Borrowing from friends or family
- Non-adherence
- Delaying care
Financial distress
Non-adherence
Missed appointments
Bankruptcy
Taking fewer medications
Selling property
Buying less food
Buying less clothing
Spread out chemotherapy appointments
Working longer hours
Cutting out vacations
Missed appointments
DELAYING care
Declining tests
Using other people’s medications
Borrowing from friends or family
Selling property
Buying less clothing
Using credit
Borrowing from friends or family
Replacing prescriptions with over the counter medications
Non-adherence
INTERVENE
Policy

Provider

Patient
MANUFACTURERS
GOVERNMENT
INSURERS
HEALTH SYSTEMS
OUTCOMES-BASED PRICING
Kymriah - $475,000

Patients with disease response

Months

79%

46%

1 12

Prasad V, Nature 2017
MANUFACTURERS
GOVERNMENT
INSURERS
HEALTH SYSTEMS
MANUFACTURERS
GOVERNMENT
INSURERS
HEALTH SYSTEMS
In order to promote competition... the Secretary [of HHS]:
1. may not interfere with the negotiations between drug manufacturers and pharmacies and PDP sponsors; and
2. may not require a particular formulary or institute a price structure for the reimbursement of covered part D drugs.
Open Enrollment for 2017 is here!

First time applying on HealthCare.gov?

TAKE THE FIRST STEP TO APPLY

Have a 2016 Marketplace plan?

LOG IN TO KEEP/CHANGE PLANS

Median household income in NC: $46,868

2018 ACA annual out-of-pocket max: $7350

16%
MANUFACTURERS

GOVERNMENT

INSURERS

HEALTH SYSTEMS
MANUFACTURERS

GOVERNMENT

INSURERS

HEALTH SYSTEMS
MANUFACTURERS
GOVERNMENT
INSURERS
HEALTH SYSTEMS
PRICE
TRANSPARENCY
Policy

Provider

Patient

Zafar SY, JNCI 2015
Prevent fatigue ➔ Assess fatigue ➔ Reduce fatigue
Prevent financial toxicity → Assess financial toxicity → Reduce financial toxicity
Prevent financial toxicity → Assess financial toxicity → Reduce financial toxicity
Focus on high-value interventions
Don’t use cancer-directed therapy for solid tumor patients with:

- low performance status (3 or 4)
- no benefit from prior evidence-based interventions
- not eligible for a clinical trial
- no strong evidence supporting the clinical value of further anti-cancer treatment.

ASCO Choosing Wisely
Goals of care
Prevent financial toxicity → Assess financial toxicity → Reduce financial toxicity
5 month improvement in overall survival

HR 0.83 (95% CI 0.70-.99)

Log-rank test: $P = .03$

n=766
Prevent financial toxicity → Assess financial toxicity → Reduce financial toxicity
Do patients want to discuss costs?

52% desire a cost discussion with oncologists

19% actually have a cost discussion

n=299

Zafar et al, AJMC, 2015
Why didn’t you discuss costs?

- No difficulties with cost: 43%
- Want the best care: 28%
- Not my doctor’s job: 18%
- My doctor can’t help: 18%
- Talked to someone else: 9%
- Embarrassed: 9%

Zafar et al, AJMC, 2015
Proportion with lower costs after cost discussion

57% reported lower costs due to a cost discussion with their oncologist

n=299

Zafar et al, AJMC, 2015
How were costs decreased?

- Decreased frequency of MD visits: 6%
- Changed tests or decreased frequency: 13%
- Switched to less expensive meds: 19%
- MD appealed to insurance: 25%
- Referred to financial assistance: 53%

Zafar et al, AJMC, 2015