



South Dakota's Oral Anticancer Treatment Access Law: What Clinicians Need to Know



Outdated coverage policies in South Dakota USED TO limit cancer patients' access to life-saving drugs!

Traditionally, IV chemotherapy treatments are covered under a health plan's medical benefit where the patient is required to pay an office visit copay, usually between \$20 and \$30. Conversely, oral anticancer medications are covered under a health plan's prescription benefit and, many times, patients are responsible for extremely high and unmanageable copays, creating an enormous barrier for patients to access orally administered drugs. According to a recent study published in the Journal of Oncology Practice and American Journal of Managed Care, 10% of cancer patients failed to fill their initial prescriptions for oral anticancer medications due to high out-of-pocket costs.

Legislative Solution

In an effort to remove barriers to accessing life-saving treatments for cancer patients, South Dakota passed legislation in March 2015, which applies to insurance plans issued or renewed on or after January 1, 2016. The law directs health benefit plans that provide coverage for cancer chemotherapy treatment to extend coverage for orally administered anticancer medications at a cost equal to the cost of intravenously administered or injected anticancer medications. Plans cannot reclassify or increase cost sharing that's inconsistent with annual increases in health care costs. **To view South Dakota's oral anticancer medication access law, please see next page.**

What Does This Mean for Patients?

If a patient is **privately insured (the law does not apply to Medicare to ERISA plans)**, and their plan covers chemotherapy, an FDA-approved, orally administered drug should have the same out-of-pocket costs for the patient as an intravenously administered drug.

What to do if an insurance plan does not comply & to find out if the law applies to your health plan:

Please contact the South Dakota Department of Labor and Regulation, Insurance Division at 1-605-773-3563 ext 3864 or visit them on the web at:

http://dlr.sd.gov/insurance/consumers/health_insurance.aspx.

For information about our oral parity work in Washington, DC, please go to peac.myeloma.org.



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Relating to requirements for insurance policies and contracts providing accident and sickness insurance or direct health care services that cover anti-cancer medications

ENTITLED, An Act to establish certain provisions regarding cancer treatment medication coverage by insurance companies. BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. Any health benefit plan as defined in § 58-17H-2 that provides benefits for injected or intravenously administered cancer treatment medication used to kill or slow the growth of cancerous cells shall provide no less favorable benefits for prescribed, orally administered anticancer medication covered by the plan, regardless of the formulation or benefit category determination by the health plan.

Section 2. A health carrier may not reclassify benefits with respect to cancer treatment medications or increase a copayment, deductible, or coinsurance amount for covered cancer treatment medications that are injected or intravenously administered unless:

- (1) The increase is applied generally to other medical or pharmaceutical benefits covered under the plan and is not done to circumvent section 1 of this Act;
- (2) The reclassification of benefits with respect to cancer treatment medications is done in a manner that is consistent with this Act; or
- (3) A health carrier is applying cost-sharing increases consistent with the annual increases in the cost of health care.

Section 3. Nothing in this Act prohibits a health carrier from performing medical management practices that comply with the provisions of chapter 58-17H.

Section 4. This Act is effective January 1, 2016.