

# Medical, Social, Financial Evaluation

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ELIMINATING STEP THERAPY FOR SIDE EFFECTS RELATED TO TREATMENT OF METASTATIC CANCER

Traci Hughes, FSA, MAAA

# Mandate Evaluation Process



Lewis & Ellis (L&E) was engaged to address the medical, social, and financial impact of eliminating step therapy for associated conditions and side effects related to treatment of metastatic cancer.



Resources included existing literature, gathered statistics from public sources, and solicited information from providers and insurers. Due to time constraints, L&E was unable to officially survey insurers, interview providers, or analyze data from the Maryland All-Payer Claims Database (APCD).

# Medical and Social Evaluation Highlights



Step therapy requires patients to try lower-cost, therapeutically equivalent medications before accessing more expensive treatments, though predicting effectiveness is challenging. However, studies show this approach can reduce effectiveness, cause inefficiencies, and lower adherence, with up to 60% of patients needing two or more medications before receiving their prescribed drug.



Metastatic cancer affects 0.2% of the population, with most patients experiencing treatment side effects, yet step therapy is common, applied an estimated 40% of drug coverage policies. Studies show many policies require multiple step therapies, sometimes up to five, leading to high out-of-pocket costs and potential treatment interruptions if patients switch insurers.

# Financial Evaluation and Assumptions

L&E leveraged the collected information and data to develop estimates for each variable that could influence cost or utilization, categorizing them into low-end, mid-range, and high-end assumptions.

These ranges aren't confined to just the three scenarios of low, mid, and high illustrated; instead, they are designed to encompass the various uncertainties inherent in each assumption. This approach aims to offer a spectrum of potential outcomes.

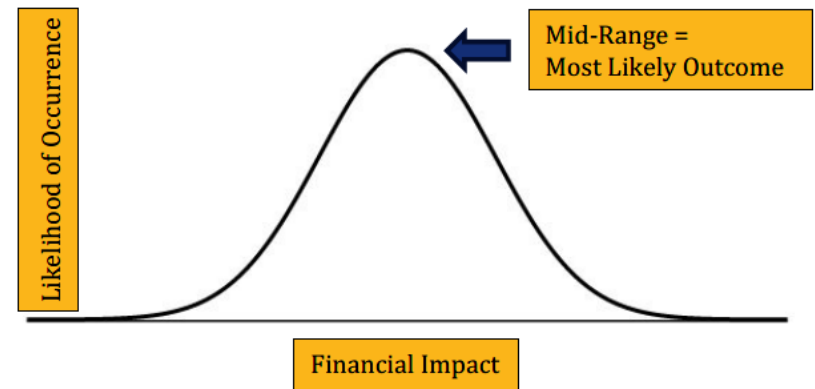
Each assumption range is discussed in further detail within L&E's official report.

# Financial Evaluation Results

## Estimated Fiscal Impact Range

	Low	Mid	High
<b>Elimination of Step Therapy for Metastatic Cancer Side Effect Treatment Premium Cost PMPM</b>	<b>\$0.01</b>	<b>\$0.07</b>	<b>\$0.30</b>
Maryland Projected 2025 Premium PMPM	\$869.06	\$869.06	\$869.06
<b>Elimination of Step Therapy for Metastatic Cancer Side Effect Treatment Percentage Impact</b>	<b>0.00%</b>	<b>0.01%</b>	<b>0.03%</b>

- L&E notes that the estimated impact range is considered to take on a normal curve, or bell curve, where the low- and high- estimates represent less likely impacts.
- L&E also notes that the estimated impact applies to the Maryland Commercial insurance market, but individual insurers may experience varying effects. The impact for each insurer will depend on the characteristics of their specific covered population, which could result in higher or lower cost effects compared to the overall market average.



# End/Questions

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