



## Senate Bill 421 (Limón): Oral Chemotherapy Fairness Act

### Summary:

SB 496 (Limón) will remove the sunset date on existing law that prohibits a health plan or insurer from charging more than \$250 per month on oral chemotherapy prescriptions.

### Need for bill:

- In California, there are 178,000 new cancer cases that are reported within a year.
- The emergence of safe, clinically-effective, orally-administered anticancer medications has dramatically improved the quality of life for cancer patients.
- Patients have been routinely charged significantly greater out-of-pocket costs for oral anticancer therapies than traditional IV therapies.
- Since 2013, state law has placed a \$250 per month cap on the out-of-pocket costs for oral anticancer medication. This law is set to sunset on January 1, 2024.
- Since this cap was instituted in state law, 43 states and Washington, DC, have passed oral oncology fairness laws.
- Passage of these laws has made therapies more accessible and equitable to marginalized communities that face greater disparities.

### What will SB 496 do?

Senate Bill 421 removes the sunset date, making the cap on out-of-pocket costs to \$250 permanent and maintaining affordability for cancer patients.

**ACS CAN Position:** Co-Sponsor. For more information regarding this position, please contact ACS CAN California's Director of State Legislation, Autumn Ogden at 916.206.9686 or [autumn.ogden@cancer.org](mailto:autumn.ogden@cancer.org)

# Senate Bill 421

Oral Chemotherapy



# MONIQUE LIMÓN

REPRESENTING SENATE DISTRICT 19

## THIS BILL

SB 421 removes the sunset date on existing law that prohibits a health plan or health insurer from requiring more than \$250 per month in out-of-pocket costs for each prescription of up to a 30-day supply for a covered oral anticancer medication.

## BACKGROUND

According to the CDC, in 2019, an estimated 1.7 million people in the United States were diagnosed with cancer.<sup>1</sup> In California alone, there are 178,000 new cancer cases that are reported within a year.<sup>2</sup>

The emergence of safe, clinically-effective, orally-administered anticancer medications has dramatically improved the quality of life for cancer patients. However, patients are routinely charged significantly greater out-of-pocket costs for oral anticancer therapies than traditional IV therapies.

Out-of-pocket costs become a *de facto* denial of access. According to a study by Prime Therapeutics, 1 in 4 patients who were faced with high costs ultimately abandoned treatment.<sup>3</sup> Most oral anticancer drugs do not have an equivalent IV drug. Thus, leaving patients without an alternative and forced to abandon treatment.

Since 2013, state law has placed a \$250 per month cap on the out-of-pocket costs for oral anticancer medication. This law is set to sunset on January 1, 2024.

<sup>1</sup> <https://www.cdc.gov/cancer/depc/data/index.htm>

<sup>2</sup> <https://gis.cdc.gov/Cancer/USCS/#/AtAGlance/>

<sup>3</sup> Washington State Department of Health (2010). Oral Chemotherapy Drug Coverage Mandated Benefit Sunrise Review. Retrieved from: <https://www.doh.wa.gov/portals/1/Documents/Pubs/631014.pdf>

<sup>4</sup> Andrews M. Some states mandate better coverage of oral cancer drugs. Kaiser Family Foundation website.

## PURPOSE

Forty-three other states and D.C. have already enacted legislation to make oral anticancer medications more affordable and accessible, ensuring individuals can receive life-changing treatment.

SB 421 removes the sunset date, making the cap on out-of-pocket costs to \$250 permanent.

Since this cap was instituted in state law, 43 states and Washington, DC, have passed oral oncology parity laws<sup>4</sup> Passage of these laws has made therapies more accessible and equitable to marginalized communities that face greater disparities.

## SUPPORT

American Cancer Society Cancer Action Network - cosponsor  
Association of Northern California Oncologists - cosponsor  
Medical Oncology Association of Southern California - cosponsor

## OPPOSE

None on file.

## STAFF CONTACT

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<https://khn.org/news/cancer-drugs-by-pill-instead-of-iv-michelle-andrews-051512/>. Published May 14, 2012. Accessed January 24, 2020.