Some Pharmacy Benefit Manager Practices May Erode Patient Access to Cancer Care, ASCO Analysis Finds

New Position Statement Highlights Range of Potential Harms to Patients, Recommends Changes to Specific PBM Practices

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Alexandria, Va. — The American Society of Clinical Oncology (ASCO) warns that some of the practices used by pharmacy benefit manager (PBM) companies could hinder patient access to timely, high-quality cancer care. In a new position statement released today, ASCO describes a range of PBM practices that, while they may be intended to help control costs in cancer care, might compromise physicians’ ability to provide the right treatment at the right time for people with cancer; place cancer patients at risk of serious complications due to drug dispensing errors; or drive up out-of-pocket costs for patients. ASCO also recommends a series of actions to address PBM practices that interfere with the delivery of prescribed therapies.

“Examples are emerging of PBM practices that may place patients at risk of life-threatening complications,” said ASCO President Monica M. Bertagnolli, MD, FACS, FASCO. “There’s no doubt that the high cost of cancer care is a major burden on patients and the healthcare system, but efforts to address the problem shouldn’t come at the expense of quality patient care.”

Oncologists identify concerns about PBM practices

As the cost of cancer treatment continues to rise, public and private health plans are increasingly using PBMs—third-party prescription drug program administrators—in an effort to curb spending on drugs. The PBM industry has grown significantly and become highly concentrated since it began in the 1980s. Today, the three largest PBMs manage prescription services for 266 million Americans in both public and private plans, covering an estimated 85 percent of the health insurance market.

ASCO’s position statement, “Pharmacy Benefit Managers and Their Impact on Cancer Care,” outlines concerns expressed by the society’s oncologist members about the negative effects of
certain PBM practices on patients and the cancer care system. These include errors in filling
prescriptions, treatment doses being altered without consultation with oncology care providers,
treatment delays related to prior authorization requirements, duplicate patient copays due to
incomplete dispensing, and drug waste resulting from incorrect doses or treatments being sent
directly to a patient’s home.

The ASCO position statement points to a number of PBM practices that lead to these harms. They
include the use of “gag clauses” that prohibit pharmacists from informing patients about lower-cost
drug options; the requirement that patients use mail order or specialty pharmacies in lieu of a
dispensing physician; and “brown bagging” and “white bagging” policies that require oncologists to
administer chemotherapy agents that have not been prepared in their offices.

**ASCO Recommendations**

To address these and other concerns raised by ASCO’s members, the society strongly urges
PBMs, the Centers for Medicare & Medicaid Services (CMS), and others to adopt the following
recommendations:

- PBMs and the payers with whom they work should take immediate steps to address quality of
care concerns related to the cancer patients they serve, including assuring that changes to
prescribed therapy for patients with cancer are made only in the context of prior consultation
and approval of their physician.
- Pharmacies should not be prevented from sharing with patients their most cost-effective option
for purchasing needed medications (i.e., gag clauses should be prohibited). To this end, CMS
should eliminate contractual requirements that prevent pharmacists from sharing with patients
their most cost-effective option for purchasing required medications.
- CMS should leverage its regulatory authority to: (1) require that PBMs provide detailed
accounting of direct and indirect remuneration (DIR) fees, and (2) instruct contractors and
PBMs to discontinue application of current Star performance ratings and related DIR claw
backs on oncology dispensing physicians and practice-based pharmacies, instead relying on
measures and standards that are more appropriate to the specialty.
- CMS should enforce its “Any Willing Provider” provision in Medicare Part D, preventing PBMs
from excluding qualified in-office dispensing or provider led pharmacies from its networks.
- CMS should consider extending use of the JW modifier, which is used to report the amount of
a drug that is discarded, to better identify sources and cost of waste related to chemotherapy
drugs in both Part B and Part D. Such data should be made public. Private payers should
consider similar strategies.
- Pharmacy and Therapeutics committees should include full and meaningful participation by
oncology specialists.
ASCO remains committed to the principles and recommendations conveyed in its 2017 Utilization Management policy statement, which address current payer policies to control the use of cancer therapies. A dedicated group of ASCO volunteers is pursuing an in-depth analysis of PBM impact on oncology and will work with other stakeholders on policies that benefit patients with cancer.

Read the statement.

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About ASCO:

Founded in 1964, the American Society of Clinical Oncology, Inc. (ASCO®) is committed to making a world of difference in cancer care. As the world’s leading organization of its kind, ASCO represents nearly 45,000 oncology professionals who care for people living with cancer. Through research, education, and promotion of the highest-quality patient care, ASCO works to conquer cancer and create a world where cancer is prevented or cured, and every survivor is healthy. ASCO is supported by its affiliate organization, the Conquer Cancer Foundation. Learn more at www.ASCO.org, explore patient education resources at www.Cancer.Net, and follow us on Facebook, Twitter, LinkedIn, and YouTube.