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Joint Legislative Audit and Review Commission

**Evaluation of SB 991 and HB 2426: Repeals of  
Mandated Offer for Autologous Bone Marrow  
Transplant or Stem Cell Transplant for Breast Cancer**

Briefing for the Special Advisory Commission on  
Mandated Health Insurance Benefits

September 20, 2007



JLARC

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## Background on HDC-ABMT/SCT

- HDC-ABMT/SCT– high dose chemotherapy with an autologous bone marrow transplant or stem cell transplant
  - Toxic chemo dose followed by ABMT or SCT to reconstitute the system
- Used to treat advanced breast cancer patients at a time when physicians had limited success with these cases
- Widespread use before doctors knew if it was better than other treatments

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## Virginia Adopted This Mandate Amid National Controversy

- Mid-1990s – advanced breast cancer patients wanted to receive HDC-ABMT/SCT
- Insurance companies would not pay for it because no evidence if HDC-ABMT/SCT is better than other treatments
- 1995 – Virginia mandate passed
  - Requires offer of coverage for high dose chemotherapy with an autologous bone marrow transplant or stem cell transplant for the treatment of breast cancer

## HDC-ABMT/SCT Does Not Provide Any Additional Benefit Over Other Treatments

- Phase III clinical trials, published in 2000-2001, compared the effect of HDC-ABMT/SCT to the effect of conventional chemo-therapy
  - No additional benefits
  - More severe and toxic side effects
- Physicians stopped using HDC-ABMT/SCT for breast cancer patients
  - Now only recommended for breast cancer patients if in a well-designed clinical trial

## JLARC Staff Found No Evidence Since 2002 of HDC-ABMT/SCT's Use For Virginia Breast Cancer Patients

- At the July meeting, BOI indicated 8 insurers reported 62 claims in past 5 years
  - Follow-up: 2 insurers report that 39 of those claims were coding errors, while 1 claim was likely a clinical trial
  - The 22 remaining claims also likely to be coding errors or clinical trials
- No claims filed with State employee health plan or Virginia Medicaid since 2002
- VCU and UVA Medical Centers have not performed the procedure for breast cancer patients since 2002

## Mandate Likely Has Only Small Financial Impact

- High cost, but low utilization
  - Should result in low premium impact
- Mixed data on premium impact
  - BOI survey of top 50 insurers — low premium impact
    - Between 0.02% and 0.04% for individual plans
  - BOI annual mandate report — high premium impact
    - Between 0.3% and 0.5% for individual plans
    - Between 1.7% and 1.9% for group plans

## Little need exists for this mandate

- Consistent with the role of insurance, but...
  - Little need exists for the mandate because of its low demand and utilization rates
  - It compels insurance companies to offer coverage for a procedure that is not a standard of care
- Without the mandate:
  - Patients could continue to access HDC-ABMT/SCT through clinical trials – insurance coverage is required under clinical trial mandate (*Code of Virginia* 38.2-3418.8)
  - Insurance companies could elect to offer coverage for HDC-ABMT/SCT, but would not be compelled to do so

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