

Cost savings from growth hormone insurance strategies not passed on to patients

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Increasingly aggressive insurance strategies have lowered the total costs and insurance costs of growth hormone drugs, but those savings are not being passed on to patients, according to new research to be presented Sunday at ENDO 2019, the Endocrine Society's annual meeting in New Orleans, La.

In 2003, the U.S. Food and Drug Administration approved growth [hormone](#) treatment for idiopathic short stature (children who are short for no known cause). This expanded potential eligibility for treatment to the shortest 1.2 percent of the U.S. population, at a potential estimated national cost of \$40 billion.

"However, in subsequent years, [health insurance companies](#) imposed greater barriers to reimbursement for growth hormone treatment," said lead researcher Adda Grimberg, M.D., of the Perelman School of Medicine and Leonard Davis Institute of Health Economics, University of Pennsylvania in Philadelphia, Penn. Insurers have instituted formularies—lists of drugs that are covered by the insurance plan—that exclude all but a few brands of growth hormone drugs, and change these lists frequently based on prices negotiated with manufacturers, forcing patients to switch brands during their course of treatment. Insurers have also adopted more stringent criteria for coverage, and many no longer cover growth hormone treatment for idiopathic short stature.

Grimberg and her co-author Genevieve P. Kanter, Ph.D., of the University of Pennsylvania, examined how use of growth hormone by

U.S. youth changed over time. Using a database of 18 million individuals enrolled in commercial health plans, they examined changes in use and expenditures between 2001 and 2016. They focused on the 38,857 beneficiaries up to age 18 treated with growth hormone who had six or more months of insurance coverage in any year between 2001 and 2016.

The number of members with growth hormone prescriptions per 10,000 beneficiaries under age 18 rose steadily from 5.1 in 2001 to 14.6 in 2016, without a dramatic change around 2003, the year the FDA approved coverage for idiopathic short stature. Progressive restrictions on growth hormone coverage imposed by insurers and stricter formulary rules appear to have succeeded in lowering the total cost and insurer cost of treatment. However, those savings were not passed on to patients, who also were forced to switch drug brands as insurance companies changed their formularies.

While total growth hormone expenditures per patient decreased by 27 percent and the estimated insurance-paid amount decreased by 28 percent, average copayments, deductibles and total patient financial burden increased by 161 percent. Between 2001 and 2007, beneficiaries switching growth hormone brands at least once in the year ranged from 1.4 percent to 3.6 percent. After 2007, the range rose to 5.1 percent to 8.8 percent, with 25.6 percent switching in 2009 and 13.9 percent switching in 2015.

"These patterns are consistent with broader U.S. trends of increased patient cost-sharing and aggressive use of formularies and coverage restrictions to limit insurer costs from high specialty drug prices," Grimberg said. "The rising patient costs of insulin have emerged as an important health care concern in recent days, prompting Congressional hearings and legislative review. Our research shows that growth hormone, another endocrine medication like insulin, is costing [patients](#) more, even as [costs](#) to insurers have declined."

Grimberg noted that the patient burden of growth hormone brand switches and insurance denials/appeals is a source of great distress for patient families seeking evaluation and treatment of short stature.

"Because the different growth hormone brands are delivered in different pen devices, insurance-mandated brand switches during the years a patient is treated with [growth hormone](#) require retraining on proper administration, so the process is more complicated than simply switching from one pill to another," she said.

Provided by The Endocrine Society

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