

# Do the costs of cancer drugs receive enough attention?

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A recent analysis from Canada found that information on health-related quality of life is often not collected for investigational cancer drugs or used to calculate the balance of costs and benefits of these drugs when they are submitted for reimbursement, according to findings published early online in *Cancer*, a peer-reviewed journal of the American Cancer Society.

Both the effectiveness and the expense of a medication are important in determining its value and whether the cost will be reimbursed. This is often considered in terms of the cost per quality-adjusted life-year (QALY). One QALY equates to one year in perfect health.

In Canada, recommendations for reimbursement come from the Canadian Agency for Drugs and Technologies in Health, and specifically from its pan-Canadian Oncology Drug Review (pCODR) group. While Canada has no explicit upper threshold for the cost of each QALY gained, a common standard of \$50,000 Canadian dollars per QALY is often used. In other words, a new technology associated with a cost per QALY of less than \$50,000 Canadian dollars is likely to be reimbursed.

Clinical [trials](#) were not originally designed to address reimbursement decisions, but trial results are currently being used for this purpose. In addition, trials have not traditionally reported on data that are meaningful to patients. To determine whether recent [cancer drug](#) trials collect such information, Adam Raymakers, Ph.D., of the Canadian Centre for Applied Research in Cancer Control, and his colleagues

reviewed drug manufacturers' submissions to pCODR between 2015 and 2018. They looked to see whether information on health-related quality of life was collected alongside cancer drug trials and used to calculate QALYs in analyses submitted to pCODR for reimbursement recommendations.

Among the 43 submissions that were evaluated by pCODR, the gain in QALYs in most submissions was small, and in almost two-thirds (65 percent) of cases, the submitter's best estimate of cost-effectiveness of the drug was in excess of \$100,000 per QALY. More than half (56 percent) of submissions did not include original data on health-related quality of life, with most relying instead on evidence from previous studies.

"It is important to bring attention to the idea that when [drug companies](#) /manufacturers are talking about improvements from new and expensive drugs, they might not actually be meaningful improvements or they may not be improvements that are valued by patients. Patients and the public should understand that it can often be the case that these drugs might confer little to no meaningful benefit, at a substantial cost," said Dr. Raymakers. "If drug prices continue to rise, and are to be reimbursed by [insurance companies](#) or publicly funded systems, these drugs must offer benefit relative to their [costs](#). Benefit should not be an abstract measure but rather one that is valued by patients."

**More information:** "Health-related quality of life in oncology drug reimbursement submissions in Canada: a review of submissions to the pan-Canadian Oncology Drug Review." Adam J.N. Raymakers, Dean A. Regier, and Stuart J. Peacock. *Cancer*; Published Online: September 23, 2019, [DOI: 10.1002/cncr.32455](https://doi.org/10.1002/cncr.32455)

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