

New law regulating out-of-pocket drug spending saves cancer patients more than \$7,000 a year, study finds

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As prescription oral chemotherapies have become a common form of cancer treatment, some patients were paying more than \$10,000 a year

for medications. A new study finds that efforts to cap prescription drug spending are yielding significant out-of-pocket savings for these patients.

The Inflation Reduction Act, enacted in 2022, included establishing a cap on out-of-pocket spending for those enrolled in Medicare Part D prescription drug plans.

Researchers from the University of Michigan's Institute for Healthcare Policy and Innovation and Rogel Cancer Center used the online Medicare Part D Plan Finder tool to assess how much patients were paying for the most commonly prescribed oral chemotherapies. They compared data from 2023, when no out-of-pocket cap was in place, to 2024, when the policy first took effect.

For Medicare Part D beneficiaries, annual [out-of-pocket costs](#) for oral cancer medications averaged \$11,284 in 2023. In 2024, the average annual cost for the same medications is estimated to be \$3,927. The median cost saving from 2023 to 2024 is estimated to be \$7,260, demonstrating the policy's effect on decreasing costs for patients. The study is published in *JAMA Network Open*.

"People with cancer are already vulnerable to [financial distress](#) and medical debt. Our analysis suggests that legislative policy can have a big impact on the cost of [cancer](#) care. This is especially critical as lawmakers now consider extending an out-of-pocket cap to commercial insurance," said lead study author Benjamin Pockros, M.D., M.B.A., a urology resident at Michigan Medicine.

In 2025, an out-of-pocket cap will be set at \$2,000, which the researchers predict will result in even greater savings for patients.

More information: Changes in Out-of-Pocket Spending for Common Oral Cancer Medications After the Inflation Reduction Act, *JAMA*

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