

Research Questions

- (1) In the US, how common are prior authorization (PA), including step therapy (ST) practices for oral cancer drugs?
- (2) While these tools are considered robust cost-cutting measures by payers and are widely used in oncology, whether these measures result in cost-savings has not been proven. Do these practices result in savings for healthcare plans (payers)?

Design

Retrospective, longitudinal study of medical and pharmacy claims spanning 7/1/2017-12/31/2022.

Open Claims: Records are not limited to adjudicated claims (*closed claims*) but include every financial transmission, including rejections.

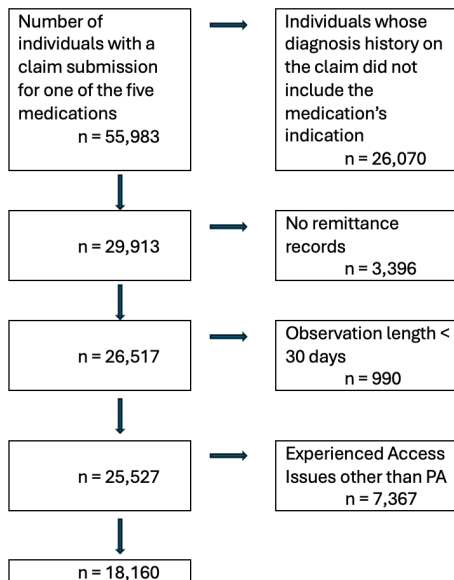
Source: Clarivate Real-World Data Product, sourced from clearinghouses.

Study Population

Patients with a pharmacy claim (paid or rejected) for one of the five following oral cancer drugs

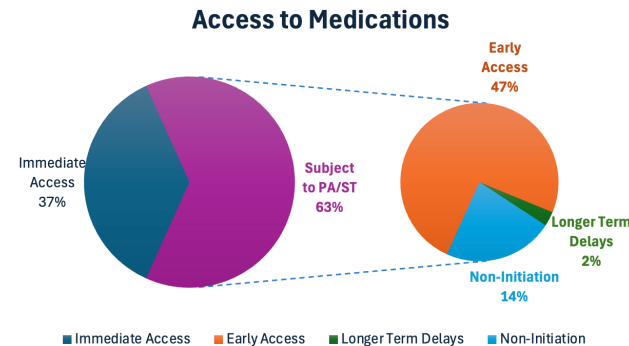
- osimertinib
- enzalutamide
- cabozantinib
- ibrutinib
- niraparib

which were chosen a-priori by an expert panel, characterized as expensive, specialty-tiered drugs.



Each patient had a unique observation period starting with the first cancer drug claim submitted and ending with the last paid claim, ranging from one month to five years.

Patients' Experiences with Prior Authorizations and Step Therapies



Notes:
 - Patients with *immediate access* did not encounter a PA or step therapy (ST) rejection. All others had at least one claim rejected with a prior authorization (PA) flag.
 - *Delay* is defined as the time between the first rejection and the first successful fill. Patients in the *non-initiation* group never filled the prescription after at least one PA rejection.
 - *Early access* refers to delays under 90 days; 75% of these patients filled their prescription within 5 days.
 - *Longer term delays* (i.e., over 90 days) serve as a proxy for step therapy.

- 63% of patients encountered a prior authorization rejection.

- Most of them experienced only short-term delays, suggesting successful appeals or exceptions.

- *Methodological note:*

Pharmacy claims sourced from clearinghouses flagged PA but did not distinguish PA type or rationale, including ST.

- Non-initiation may reflect either completion of step therapy or treatment abandonment for other reasons.

Implications

In oncology, prior authorization practices are common, yet they most often delay access to the intended medication rather than diverting the patient away from it. Majority of such delays are less than five days, implying additional administrative burden on patients, healthcare professionals, and institutions.

Delays are associated with significantly and substantially higher healthcare costs, outpacing any savings payers gained from diverting a small group of patients away from an expensive oncology medication.

Economic Analysis

	osimertinib	enzalutamide	cabozantinib	ibrutinib	niraparib
Marginal Cost (Compared to a Patient Not Subject to PA/ST, in \$1,000)					
Early Access	25.2	10	20.7	31.5	7.8
Longer Term Delays	5.5	1.6	9	-2.5	12
Non-Initiation	-16.2	-21.4	-40.5	-39.2	-15.4
Number of Patients Experiencing Delays per One No-Access Patient					
Shorter Term Delays	2.6	3.2	2.0	6.9	2.2
Longer Term Delays	0.1	0.2	0.1	0.2	0.1
Non-Initiation	1	1	1	1	1
Overall Marginal Costs (Weighted Average, in \$1,000)					
	50.4	10.6	1.7	176.9	2.8

Marginal costs are based on average annual cost of medical care (including inpatient, provider and pharmacy costs). Negative numbers are savings.

Limitations

Open claims are criticized for their inability to capture the full continuum of care for individual patients because they lack eligibility data. Given that oncology patients often remain within the same care network and insurance plan for stability and continuity, open claims provide researchers an opportunity to examine the implications of PA.