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What Happens When Cancer Treatment Becomes Too Expensive?

by Christian Downs, JD, MHA

Recently, I came across an article in *BusinessWeek Online* about the current economics of cancer care delivery. The article, "Cancer Patients Go Broke to Stay Alive: Rising Prices for Treatments Are Making Patients Balk," looked at the increasing cost of cancer treatment and how it is affecting manufacturers, providers, and patients.

At first I thought, here's yet another article on the "price" of cancer drugs. And we all know that while the "price" of drugs is easily understood, a complete analysis of cancer economics requires a very complex and sophisticated process. But I was wrong. The main point of the article was that today's cancer drugs are so expensive that some patients are considering forgoing treatment rather than burdening their families with mortgaged houses and maxed out credit cards.

So what does this mean? Well, there's an economics concept called price elasticity. Consumers are willing to pay *anything* for a product that has an "inelastic price." Many economists would say that life-saving or life-prolonging cancer drugs have an inelastic price—until now. Today we are starting to see patients who have treatment options, but who may be unwilling or unable to pay for them.

Who is at fault? The drug companies? At first glance, this may seem like the obvious answer. Further examination of the issue, however, reveals a far more complex reality. First, drug research and production are high risk. Often, pharmaceutical companies pay for multiple failed drug trials before one is found to work. Second, today's anticancer

treatments are far more effective and safe than ever before. And these advances have associated costs.

Maybe the fault lies with insurers? After all, insurers are often identified as one of the "usual suspects." In reality, some insurance companies are only guilty of offering plans that consumers or employers ask for. To keep initial costs low for employers and employees, these plans must often include high deductibles.

What about health-care consumers themselves? The cost of certain anti-cancer treatments is causing some patients with cancer to face hard choices. And which one of us is willing to tell a 35-year-old mother of three with breast cancer that she should forgo expensive therapy for the "good of society."

I'm not. Just the opposite—I'd do *whatever* I could to get her treatment covered.

So what about the last piece of the puzzle: providers? Providers want to offer their patients the most current and up-to-date treatment, but at what cost? In the *BusinessWeek Online* article, medical oncologist Barbara McAneny, MD, was quoted as saying, "I am in an incredible bind... When a patient says 'I can't afford it' [treatment], I start to think about what [treatment] is second-best."

Instead of looking to place the blame for the high cost of new therapies—all of us—industry, insurers, patients, and providers—need to be working together to ensure that *everyone* has access to the best available anti-cancer treatment. Clearly, something has to give. Let's just hope it's not someone's life. ☹

