

H.B. 24 – Increase Access to Biomarker Testing Proponent Testimony Representative Andrea White

Chair Lampton, Vice Chair Barhorst, Ranking member Sweeney and House Insurance Committee, thank you for letting me come back to speak to substitute house bill 24.

Here's a brief summary of the sub bill change for HB 24:

Following committee hearings, we worked with and talked with interested parties several times to work on changes that were requested by those parties. Here is a summary of major changes we have made to date since bill introduction

- Added in alignment of medical or scientific evidence definition to the one contained in 3922.01 the ORC used by health plans, providers and patients for insurance disputes
- Added "medical necessity" provision that aligns with other existing ORC code sections where medical necessity is specified
- Added biomarker testing cannot be used for screening purposes
- Removed "consensus statements" from the list of medical or scientifc evidence that can be used for coverage determination
- Added to the list of medical or scientific evidence "nationally recognized and peer reviewed studies indicating that the test materially improves health outcomes

As you can see from the cost savings document that we have provided to the committee, the data strongly suggests that providing biomarker testing to get the right treatment to the right patient at the right time is yielding overall cost savings according to some studies or zero to minimal overall cost increases for private payers and Medicaid in other studies. Keep in mind, most of these do not take into account the cost savings realized when the patient is not being treated incorrectly and then needs additional treatment, or has side effects that cause emergency room or doctor visits with additional testing and costs.

The business case is overwhelming- saving not only money, but most importantly lives, lost time at work and its getting Ohioans back in their communities. There are now 16 states that have passed biomarker legislation. Now, it's time for us to act and pass HB24 so that all Ohioans can have access biomarker testing – which is the standard of care.

Chair Lampton, Vice Chair Barhorst, and Ranking Member Sweeney and House Insurance Committee, thank you for your time and I will stand for any questions.

HB24 Biomarker Testing Cost Savings-Benefits Impact Research

- According to a 2022 analysis of biomarker testing by Milliman the impact of legislation requiring robust coverage of biomarker testing will be <u>\$0.14-\$0.51 per member per month.</u>
 - The landscape of biomarker testing coverage in the United States (milliman.com)
- A study published in the American Society of Clinical Oncology Journal found that <u>upfront</u> <u>broader biomarker testing</u> results in <u>substantial cost savings</u> for commercial payers.
 - \$3,809 for less than exclusionary
 - \$127,402 for sequential testing
 - \$250,842 for hotspot panels
 - o https://ascopubs.org/doi/full/10.1200/PO.18.00356
- A study published in the Value of Health Journal shows a <u>decreased expected testing</u> procedure costs to the health plans by \$24,651.
 - o https://doi.org/10.1016/j.jval.2018.04.1372
- Access to comprehensive biomarker testing can <u>reduce costs by informing the treatment</u> <u>strategy for a specific patient</u>
 - American Journal of Managed Care Study: <u>https://doi.org/10.37765/ajmc.2020.42555</u>
 - Public Library of Science: <u>https://doi.org/10.1371/journal.pone.0204496</u>.
- According to a study sponsored by CVS Health, those patients who underwent broad panel biomarker testing <u>experiencing a savings of approximately \$8,500 per member per month</u> in total cost of care, <u>as result of more optimal treatment.</u>
 - <u>Total cost of lung cancer care associated with broad panel versus narrow panel</u> <u>sequencing.</u> Journal of Clinical Oncology (ascopubs.org)
- <u>Increasing the proportion of patients</u> receiving comprehensive biomarker testing <u>translated</u> <u>into substantial cost savings</u> for both CMS and commercial payers.
 - o <u>cancer-advances-winter-2019.ashx (clevelandclinic.org)</u>
- Comprehensive biomarker testing is expected to <u>identify more patients with genomic</u> <u>mutations</u>, thereby <u>better enabling selection for targeted therapy and clinical trial enrollment</u>.
 - The budget impact to US payers is expected to be minimally cost additive (\$0.0072 per member per month over a 5yr period).
 - This study also shows that testing procedure costs for health plans are expected to decrease by \$24,651.
 - <u>Budget Impact of Next-Generation Sequencing for Molecular Assessment of Advanced</u> Non-Small Cell Lung Cancer - PubMed (nih.gov)
- <u>Ohio is in the bottom 15 states</u> for biomarker testing coverage by state regulated private payers
 - o 35 states have better access to biomarker testing coverage than Ohioans

<u>Alignment of health plan coverage policies for somatic multigene panel testing with clinical guidelines in</u> <u>select solid tumors | Personalized Medicine (futuremedicine.com)</u>