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Lilly Oncology

Reimbursement Update

Previous Reimbursement Updates can be found at www.LillyPatientOne.com

Lilly Oncology is pleased to offer this newsletter as part of our commitment to patient access to care. For more information about the topics discussed in this issue, please contact Samantha Yu, Manager Reimbursement Consulting for AccessMED, at 650-759-6210.

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This article may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of the written law or regulations or local payer guidelines. We encourage readers to review the specific statutes, regulations and other interpretive materials for a full and accurate statement of their contents.

Comparative Effectiveness Funding in the American Recovery and Reinvestment Act

On February 17, President Obama signed into law a \$787 billion economic stimulus bill, H.R. 1, also known as the American Recovery and Reinvestment Act (ARRA). The ARRA contains \$1.1 billion for comparative effectiveness research. Of that total, \$300 million is for the Agency for Healthcare Research and Quality (AHRQ) to build on its existing collaborative and transparent Effective Health Care program.

The development of the Effective Health Care program is in response to a growing concern that doctors have little or no solid evidence of the value of many treatments. Supporters of the research hope it will eventually save money by discouraging the use of costly, ineffective treatments. The soaring cost of health care is widely seen as a problem for the economy. Spending on health care totaled \$2.2 trillion, or 16 percent of the nation's gross domestic product, in 2007, and the Congressional Budget Office (CBO) estimates that, without any changes in federal law, it will rise to 25 percent of the G.D.P. in 2025.

Specifically, researchers will be able to use the funding to compare drugs, medical devices, surgery and other ways of treating specific conditions. Pharmaceutical and medical device companies worry that comparative effectiveness findings could be used to deny coverage for expensive treatments and lead to the rationing of care. However, while lawmakers and lobbyists agree that comparing the clinical merits of treatments is helpful, the idea of considering cost is "hotly debated."

The AHRQ is hosting a 2-day symposium in early June 2009 to examine new and emerging methods for comparative and clinical effectiveness research. The two main emphases include examination of ways to enhance the inclusion of clinically heterogeneous populations in comparative and clinical effectiveness studies and ways to implement longitudinal investigations that capture longer term health outcomes, including patient-reported outcomes. Cutting across these are four thematic areas:

1. Study design,
2. Data collection,
3. Statistics and analytic methods, and
4. Policy issues and applications.

For more information about the new legislation and AHRQ's approach to the program, please visit the AHRQ website at: <http://effectivehealthcare.ahrq.gov/>. ♦

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