



## Key Points

What is the best way to redefine and redesign your PAP to address the changes brought about by healthcare reform?

- First, anticipate the growing need for cost-sharing support in the federally insured segment at the expense of the uninsured and commercially insured segments due to healthcare reform.
- Second, factor in an increase in PAP program costs associated with cash support rather than product support for the expanding federally insured segment and for the Medicare rebate. Be flexible for “gray areas” in coverage mix, where it is unclear whether a portion of the patient population qualifies as commercial or federal. Build a cushion for additional cash requirements associated with these gray areas. Most PAP costs range between 1% and 4% of gross sales (a \$500M drug might have a \$5M program).
- Third, design “oncology practice friendly” programs with consideration toward practice workflow and the administrative burden of enrolling patients in programs. As manufacturers change their program eligibility criteria based on new insurance paradigms, oncology practices are simultaneously trying to establish more and more patients as eligible for assistance. Limit practice guesswork and frustration by having seamless PAP triage services.
- Finally and most importantly, manufacturers need to continue funding PAPs—it’s a lose-lose situation for all stakeholders if the patient gets treatment in the hospital.

1. Meckler L, Mundy A. For drug makers, concessions have a bright side. *Wall Street Journal*. June 23, 2009.

2. Rajurkar SP, Present C, Bosserman L, McNatt W, Wilshire Oncology Medical Group Inc. A novel co-pay assistance support program for patients receiving IV cancer therapy in cancer centers. *J Clin Oncol*. 2009;27:15s(suppl; abstr 6630).

## » OBR DAILY NEWS FLASH

Is two months more of life with Herceptin®, Genentech’s drug just approved for HER2-positive metastatic stomach cancer, worth its hefty price of \$4,200 (per month)? (*San Francisco Business Times*, 10/22/10)

### AACR (Philadelphia, Pa.)

**William S. Dalton, MD, PhD**, CEO of the H. Lee Moffitt Cancer Center in Tampa, Fla. and Chair of the Science Policy and Legislative Affairs Committee of the American Association for Cancer Research (AACR), was honored with the 2010 Leadership in Personalized Medicine Award from the Personalized Medicine Coalition at the Harvard Personalized Medicine Conference on November 17 in Boston, Mass. **Napoleone Ferrara, MD**, a member of the AACR since 2000, was the recipient of the 2010 Lasker-DeBakey Clinical Medical Research Award. Dr. Ferrara, a native of Italy, is a fellow at Genentech specializing in tumor biology and angiogenesis. He was honored for his discovery that vascular endothelial growth factor (VEGF) is a major mediator of angiogenesis, and for developing an effective anti-VEGF therapy for wet macular degeneration, a leading cause of blindness in the elderly.

### ACCC (Rockville, Md.)

**David S. Alberts, MD**, Director of the Arizona Cancer Center, received the 2010 Clinical Research Award from the Association of Community Cancer Centers (ACCC) at the 27th National Oncology Economics Conference in St. Louis, Missouri. Dr. Alberts is Regents Professor of Medicine, Pharmacology, Nutritional Science, and Public Health at the University of Arizona College of Medicine in Tucson.

### BRISTOL-MYERS SQUIBB Co. (Princeton, N.J.)

Bristol-Myers Squibb Company and Otsuka Pharmaceutical Co., Ltd. launched My Sprycel® Support, a resource to assist adult patients with chronic myeloid leukemia (CML) who are taking the medication. The patient-centric program supports appropriate medication management; offers access to a 24/7 patient call center and a Sprycel Care Counselor; and provides co-pay assistance for eligible enrollees. Patients interested in learning more about My Sprycel Support can call 1-877-526-7334 or visit [www.SPRYCEL.com](http://www.SPRYCEL.com).

### DENDREON Corp. (Seattle, Wash.)

**Ian Clark**, CEO of Roche’s U.S.-based Genentech unit, resigned from Dendreon’s Board after serving less than a year as a director. Clark said in a statement that his current job responsibilities at Genentech limited the time he could devote to being an effective director. Dendreon inked a development and supply deal with Glaxo-SmithKline for Provenge®, which runs through December 31, 2015. The agreement covers the commercial production and supply of the antigen used in the manufacture of the prostate cancer vaccine.

### ESMO (Milan, Italy)

The 35th European Society for Medical Oncology (ESMO) Congress proved to be a milestone event for the Society and was the biggest, and best congress ever, according to **ESMO President David J. Kerr**. Over 13,000 medical oncologists alone attended the global meeting.

### FOX CHASE CANCER CENTER (Philadelphia, Pa.)

**Barbara Pro, MD**, joined Fox Chase as an Attending Physician in the Department of Medical Oncology. Dr. Pro treats patients with Hodgkin and non-Hodgkin lymphomas, specializing in T-cell lymphoma. She had been an Associate Professor in the Department of Lymphoma/Myeloma, Division of Cancer Medicine at the University of Texas MD Anderson Cancer Center in Houston.

### GE HEALTHCARE (Aliso Viejo, Calif.)

General Electric Co.’s healthcare unit agreed to buy Clariant, Inc., in a deal that values the company at about \$580 million, to speed up its expansion into cancer diagnostics tools as incidence of the disease increases. The transaction is expected to close in late 2010 or early 2011.

### THE KIDNEY CANCER ASSOCIATION (Evanston, Ill.)

**Nicholas Vogelzang, MD**, was honored with the Eugene P. Schonfeld Award from the Kidney Cancer Association at the 9th International Kidney Cancer Symposium. Dr. Vogelzang is a medical oncologist with Comprehensive Cancer Centers of Nevada in Las Vegas. He also serves [cont. on pg 26 >>](#)

as Chair of the Developmental Therapeutics Committee for US Oncology Research and is a member of the US Oncology Research Executive Committee.

#### **MD ANDERSON CANCER CENTER (Houston, Tex.)**

Another worrisome statistic for the cancer community: Over the next decade, the demand for radiation therapy will exceed the number of radiation oncologists practicing in the U.S. tenfold, which could profoundly affect the ability to provide patients with sufficient access to treatment, according to MD Anderson Cancer Center researchers. The new study, appearing in the October 18th issue of *The Journal of Clinical Oncology*, estimates that between 2010 and 2020 the number of cancer patients requiring radiation therapy will increase by 22% while the number of full-time equivalent radiation oncologists entering the workforce will increase by just 2%.

#### **MERSANA THERAPEUTICS Inc. (Cambridge, Mass.)**

**Nicholas G. Bacopoulos, PhD**, became President and CEO of the platform-based cancer therapeutics company. He succeeded **Julie A. Olson, PhD**, who was appointed to the newly created role of Chief Technology Officer. Dr. Bacopoulos has served on Mersana's Board since 2007 and has more than 25 years of leadership experience with pharmaceutical and biotechnology companies. He was previously President and CEO of Aton Pharma, Inc., which developed the first commercial HDAC inhibitor, Zolinza®, and was acquired by Merck & Co.

#### **MILLENNIUM: THE TAKEDA ONCOLOGY COMPANY (Cambridge, Mass.)**

Millennium's sales force ranked first in an independent assessment of hematology/oncology sales teams in the pharmaceutical industry. The Millennium sales team outranked all other U.S. cancer companies in its ability to build valuable relationships with oncologists. According to the survey, conducted by Health Strategies Group, the relationship value average across companies was 26% (range 9%–46%). Millennium led the industry in relationship value by securing an average of 46%. The company's field team promotes only one market-leading product, Velcade®, for the treatment of multiple myeloma and mantle cell lymphoma.

#### **MOUNT SINAI MEDICAL CENTER (New York, N.Y.)**

**Raja M. Flores, MD**, joined the Mount Sinai Medical Center as Chief of Thoracic Surgery, and as director of the Thoracic Surgical Oncology Program at the Tisch Cancer Institute. A prominent surgeon in the treatment of lung cancer, mesothelioma, and esophageal cancer, Dr. Flores was previously a surgeon at Memorial Sloan-Kettering Cancer Center in New York.

#### **NYU LANGONE MEDICAL CENTER (New York, N.Y.)**

The Smilow Comprehensive Prostate Cancer Center was established with a \$5 million gift from **Joel E. Smilow**, a member of the Board of Trustees at NYU Langone Medical Center and New York University. **Herbert Lepor, MD**, the Martin Spatz Chairman and Professor of Urology at NYU Langone Medical Center, is director of the new Center, which will provide comprehensive personalized care for men with prostate cancer.

#### **OSUCCC—JAMES (Columbus, Ohio)**

**John C. Byrd, MD**, has been named director of the newly formed Division of Hematology at The Ohio State University Comprehensive Cancer Center—Arthur G. James Cancer Hospital and Richard J. Solove Research Institute (OSUCCC—James). Dr. Byrd, a nationally renowned leukemia specialist and researcher, is the Director for Translational Research at the OSUCCC—James and also co-directs the American Society of Hematology Clinical Training Institute.

#### **PREDICTIVE BIOSCIENCES (Lexington, Mass.)**

The developer of molecular diagnostic cancer assays expanded its leadership team with the appointment of **Thomas M. Ross** as Chief Commercial Officer, and **Randal Vader** as Vice President of Clinical and Regulatory Affairs. In announcing the new hires, President and CEO **Peter Klemm, PhD**, said that the two medical diagnostics executives would play an instrumental role in the launch of Predictive's CertNDx™ Bladder Cancer Test.

#### **TEXAS CHILDREN'S HOSPITAL (Houston, Tex.)**

Texas Children's Hospital and Baylor College of Medicine announced the formation of a new Liver Tumor Center that will utilize a multi-disciplinary approach to provide the most comprehensive and innovative care for children afflicted with these

diseases. The Center, the first to open in Texas and the Southwest, is supported by the vast infrastructure of Texas Children's Cancer Center (TCCC), the largest pediatric oncology and hematology center in the country. **Patrick A. Thompson, MD**, a pediatric oncologist at TCCC, will head the new Center.

#### **TRIPLE NEGATIVE BREAST CANCER FOUNDATION, (Norwood, N.J.)**

**Elizabeth Woolfe**, an experienced non-profit executive and breast cancer community leader, recently joined the Foundation as its first Executive Director. TNBCF was founded in 2006 as the only organization focused exclusively on triple negative breast cancer, an aggressive form of breast cancer that can be difficult to treat and is more prevalent in younger women, African American women and Latinas.

#### **UNIVERSITY OF PITTSBURGH CANCER INSTITUTE (Pittsburgh, Pa.)**

**Edward Chu, MD**, an internationally known expert in the biology and treatment of colorectal cancer, was named Chief of the Division of Hematology/Oncology at the University of Pittsburgh School of Medicine and Deputy Director of the University of Pittsburgh Cancer Institute (UPCI). Before joining UPCI, Dr. Chu served as a Professor of Medicine and Pharmacology at Yale University School of Medicine, Chief of the Section of Medical Oncology and Deputy Director of the Yale Cancer Center in New Haven, Conn.

#### **VERMILLION Inc. (Austin, Tex.)**

**Jeffrey M. Salzman** was named as Corporate Director of Reimbursement. Salzman will be responsible for developing and executing payer strategies for the company. He joins Vermillion during the early stage of the company's commercial launch of OVA1™, a blood test to determine ovarian mass malignancy, and its key initiative to expand coverage for the diagnostic. Salzman was most recently Director of Health Plans and Payor Markets at IPSOGEN, Inc. **Ashish Kohli** was appointed as Vice President of Corporate Strategy, and will be responsible for Investor Relations, Corporate Strategy, and Business Development. Kohli had been at Columbia Wanger Asset Management as a Buy-Side Equity Analyst previously.

#### **YM BIOSCIENCES Inc. (Mississauga, ON, Canada)**

**Dr. Nick Glover** was elected CEO, effective as of the company's annual meeting on November 18, during which he is to be nominated as a director. He replaces **David Allan**, Chairman and CEO, who will continue to serve as Chairman of YM's Board. Dr. Glover joined YM in June 2010 and previously served as President and COO. He was formerly the President and CEO of Viventia Biotech, Inc., a cancer-focused biopharmaceutical company.

#### **ZIOPHARM ONCOLOGY Inc. (New York, N.Y.)**

**Michael G. King, Jr.**, was appointed Senior Vice President of Corporate Development and Communication. King has over 17 years of experience as a leading biotechnology equity research analyst and was most recently Managing Director and Senior Biotechnology Analyst at Wedbush Securities.

#### **IN MEMORIAM**

**Professor Georges Mathé**, the first physician to use bone marrow transplantation to treat leukemia, passed away on October 15 at the age of 88. Professor Mathé was a founding member of ESMO and the Society's first President.

**Ernest Rosenbaum, MD**, a well-known San Francisco oncologist, who lectured internationally on cancer supportive care for patients and helped build the Stanford University Medical Center's cancer supportive program, died on September 7 at his home. Dr. Rosenbaum was a prolific author of books concerning living through cancer treatment and cancer survivorship. He was 81.

#### **MOVES**

**Archemix Corp.**, a privately-held aptamer therapeutics company whose product development focuses primarily on rare hematological diseases, moved from 300 Third Street in Cambridge to 148 Sidney Street, Cambridge, MA 02139.

**FivePrime Therapeutics Inc.**, a privately-held company with several cancer drugs in clinical development, relocated to a 70,000-square-foot state-of-the-art drug discovery facility at 2 Corporate Drive, South San Francisco, CA 94080-7047. **NYC**