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Researchers Develop Framework for Value-Based Pricing of Cancer Drugs

At a time when cancer drug prices are rising rapidly, an innovative new study provides the framework for establishing value-based pricing for all new oncology drugs entering the marketplace. Using a highly sophisticated economic model, researchers from Winship Cancer Institute of Emory University and Georgia Institute of Technology used an example of a new lung cancer drug. The study findings were published August 27, 2015 in *JAMA Oncology*.



Researchers focused their investigation on a drug called necitumumab, which is awaiting approval from the Food and Drug Administration. Previous studies have shown that the drug extends the life in patients with metastatic squamous lung cancer by about seven weeks.

The researchers used their economic model to factor medication and administration costs with life expectancy, frequency and management of adverse effects, and quality of life. The results demonstrated that the value-based price for necitumumab ranges between \$563 and \$1,309 per three-week cycle, which is significantly lower than most cancer drugs that have entered the marketplace recently.

“Cancer drug prices have been skyrocketing in recent years, and these prices are not linked to the benefit that the drugs provide. Most new cancer drugs cost in excess of \$10,000 per month,” says lead study author **Daniel A. Goldstein**, MD, who recently completed his fellowship in the Department of Hematology and Medical Oncology at Winship. “These rising prices are unsustainable to the system. Potentially life-saving drugs should carry a high price tag, but drugs such as necitumumab that extend life expectancy only by a matter of weeks should cost significantly less.”

According to the study authors, “the current system of paying for cancer drugs in the United States provides little incentive for manufacturers and physicians to consider value when pricing and using drugs.” Although the study determined pricing for one specific drug, the analysis conducted establishes a model by which other cancer drugs can similarly be assessed in the future to develop value-based prices. The study concludes: “There is currently a crucial step in the drug development and approval process that is missing – an evaluation of cost and value.”

Other study authors include Winship Cancer Institute members **David H. Howard**, PhD, **Joseph Lipscomb**, PhD, **Suresh S. Ramalingam**, MD, **Fadlo R. Khuri**, MD, **Christopher R. Flowers**, MD, MS, as well as Qiushi Chen, BSc, and Turgay Ayer, PhD, of Georgia Institute of Technology.

Call for Proposals

Investigators are invited to submit proposals for the 2015 Winship American Cancer Society Institutional Research Grant program. The program supports the development of junior faculty to become independent cancer researchers. It also seeks to fund innovative projects in clinical, basic, or translational cancer-related research, as well as projects that focus on cancer prevention and control and eliminating cancer disparities.

Up to four one-year projects may be selected, with \$30,000 (directs) available for each. Applicants should be Assistant Professors (or equivalent) with faculty appointments of six years or less, who are eligible to apply for independent national competitive (peer-reviewed) research grants, but who currently do not hold such funding.

For complete details, visit winshipcancer.emory.edu/research/funding-opportunities or contact Dana Ray at dmray@emory.edu. Letters of intent are due September 11.

Survivorship Event

Winship Cancer Institute and Susan G. Komen of Greater Atlanta will host a free conference for those impacted by breast cancer on Saturday, September 12. The event will be held at Winship on the Clifton campus in the John H. Kauffman Auditorium (C5012, 5th floor) from 8:30am to 1:30pm. Register today at komenatlanta.org/EEE.

Golf Fundraiser

The 17th annual Drive for the Cure golf tournament will take place on Monday, September 28 at the Country Club of Roswell. Proceeds from the event benefit prostate cancer research at Winship. For details, contact Pam McAdams at pam.mcadams@emory.edu.

Healthy Winship

Healthy Winship and **Ashesh Jani, MD, MSEE** invite you to a brown-bag lunch discussion focusing on prostate cancer awareness. Free and open to the public, the event will be held in the John H. Kauffman Auditorium (C5012, 5th floor) at noon on Thursday, September 3. For details, contact Tiffany Norman at tmnorma@emory.edu.

winshipcancer.emory.edu



Awards Announced for Winship Fellows and Residents

Elkin Fellows and Rochfort Scholar

Three Winship fellows from Emory University School of Medicine's Department of Hematology and Medical Oncology are the recipients of this year's Nell W. and William Simpson Elkin Cancer Research Fellowship and the Chester Rochfort Scholarship.



Shuang Yin Zhang, Jean Koff and Zachariah DeFilipp

Jean Koff, MD and **Shuang Yin Zhang, MD** were each awarded a Nell W. and William Simpson Elkin Cancer Research Fellowship. **Zachariah DeFilipp, MD** was awarded the Chester Rochfort Scholarship. The awards are given out annually to extraordinary trainees (MD or MD/PhD) engaged in cancer research or clinical care at Emory. Each award comes with an endowment of up to \$35,000 to help cover salary, laboratory costs, and other research-related expenses, such as travel to conferences and meetings.

Pippas Residents

Trevor Lim, MD and **Ronica Nanda, MD** from Emory University School of Medicine's Department of Radiation Oncology have been named the inaugural Pippas Residents. The distinction, which will be awarded to two residents annually starting this year, comes with a gift that will support the radiation oncology residency program. Kathelen and Dan Amos funded the gift in honor of their long-time friend, Andrew W. Pippas, MD, medical director of the John B. Amos Cancer Center in Columbus, Ga. Lim and Nanda are also chief residents, in their fifth and final year of residency. Read more at radiationoncology.emory.edu.



Trevor Lim and Ronica Nanda

Yeager Receives Breast Cancer Research Grant

Thank you to The V Foundation for Cancer Research and Hooters Restaurants of America for their generous support of breast cancer research at Winship. Winship researcher and grant recipient **Kate Yeager, PhD, RN** will use the funds to help increase enrollment in breast cancer clinical trials. Co-investigators on the grant are **Deborah Bruner, RN, PhD, FAAN**, **Keerthi Gogineni, MD, MSHP**, **Drenna Waldrop-Valverde, PhD** and **Bassel El-Rayas, MD**.



Walter J. Curran, Jr., MD, Jamie Valvano, Diana Giger and Kate Yeager, PhD, RN