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NEWS RELEASE

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GOVERNOR ANNOUNCES PRECEDENT-SETTING AGREEMENT BY HEALTH INSURERS TO COVER TREATMENT OF ALL PHASES OF CANCER CLINICAL TRIALS

Gov. Christie Whitman today announced that an agreement has been reached that will make New Jersey the first state in the nation in which major health insurers have agreed voluntarily to cover all costs of routine care for patients receiving treatment in all phases of cancer clinical trials.

The agreement was achieved by the New Jersey Working Group to Improve Clinical Outcomes in Cancer Patients, a voluntary state-wide coalition consisting of health insurers, health care providers, pharmaceutical companies, cancer researchers, ethicists, legislators and patient consumers. The Working Group was formed by Gov. Whitman last February.

"I am very pleased that the Working Group has achieved a precedent-setting agreement that will give cancer patients in our state more choices and better access to the best treatments possible. This agreement will be a model for every other state, and it will put New Jersey on the fast track in the fight against cancer by expanding health coverage for routine costs when cancer patients participate in routine trials," the Governor said.

"Most important, we did it the New Jersey way -- we brought all the parties to the table and, working together, hammered out an agreement through face-to-face open communication," she said.

"This is no small accomplishment. We know that clinical trials are critical if we are to improve cancer treatments. But we also know that clinical treatments involve some thorny issues, such as a fair distribution of costs, ethical considerations, and mechanisms for monitoring patient safety and clinical outcomes," Gov. Whitman said.

"I want to thank all the members of the Working Group for their fine work. They have demonstrated to the entire country that even when the issues are the thorniest, even when vested interests are at stake, New Jerseyans can find solutions that work for everyone," the Governor said.

"The Working Group is one of the best examples of why New Jersey is such a great place to live, work and raise a family. Because in New Jersey we care enough to give our citizens the best," she said.

Gov. Whitman formed the Working Group to expand health insurance coverage for cancer patients following a joint hearing on the issue held by the Assembly Health and Policy and Regulatory Oversight committees. The Working Group is headed by Assembly Members Rose Marie Heck (R-Bergen) and Charlotte Vandervalk (R-Bergen). Heck is chairperson of the Assembly Committee on Policy and Regulatory Oversight and Vandervalk is chairperson of the Assembly Health Committee.

The Working Group includes the New Jersey Association of Health Plans, New Jersey Commission on Cancer Research, the Cancer Institute of New Jersey and the American Cancer Society, Eastern Division, New Jersey.

Under the agreement, routine care of cancer patients enrolled in Phases I and II of cancer clinical trials will be covered by their health plans and insurers. At its inception earlier this year, the Working Group signed a memorandum of understanding providing coverage for Phase III of cancer clinical trials.

The health insurers covered by the agreement are Aetna U. S. Healthcare, AMERICAID Community Care, AmeriHealth HMO, Inc., CIGNA HealthCare of New Jersey, Inc., Horizon Blue Cross Blue Shield of New Jersey, Managed Healthcare Systems of New Jersey, Oxford Health Plans, Physicians Health Services, Prudential HealthCare and United Healthcare of New Jersey. The Working Group estimates that the agreement will cover about 150,000 to 175,000 New Jersey cancer patients in the coming year.

Clinical cancer trials are carefully organized studies conducted to evaluate new, promising treatments for cancer patients. After careful laboratory testing for safety and effectiveness, new therapies are tried in patients during three phases. Phase I trials determine safe medicine levels. Phase II trials evaluate the effectiveness of the treatment on a cancer. The Phase III trials compare the new regimen to standard care to evaluate relative efficacy and value.

According to a report issued today by the Working Group, most improvements in cancer treatment have been accomplished through controlled clinical trials. The report concludes that if more patients participated, trials would be completed in a more timely fashion and critical treatment questions would be answered, resulting in improved care for all patients.

The report states that studies indicate that clinical trials do not cost much more than standard care and may, in many instances, cost less. Patients faced with life-threatening illness should have the

increased choice offered by new therapies offered in clinical trials, and informed consent is essential to any of these choices, the report states.

The agreement went into effect immediately. Persons can call the New Jersey Commission on Cancer Research at 609-633-6552 to obtain more information about the program.