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Understanding the benefits and challenges of cell and gene therapy

A guide for employers

Introduction to cell and gene therapy

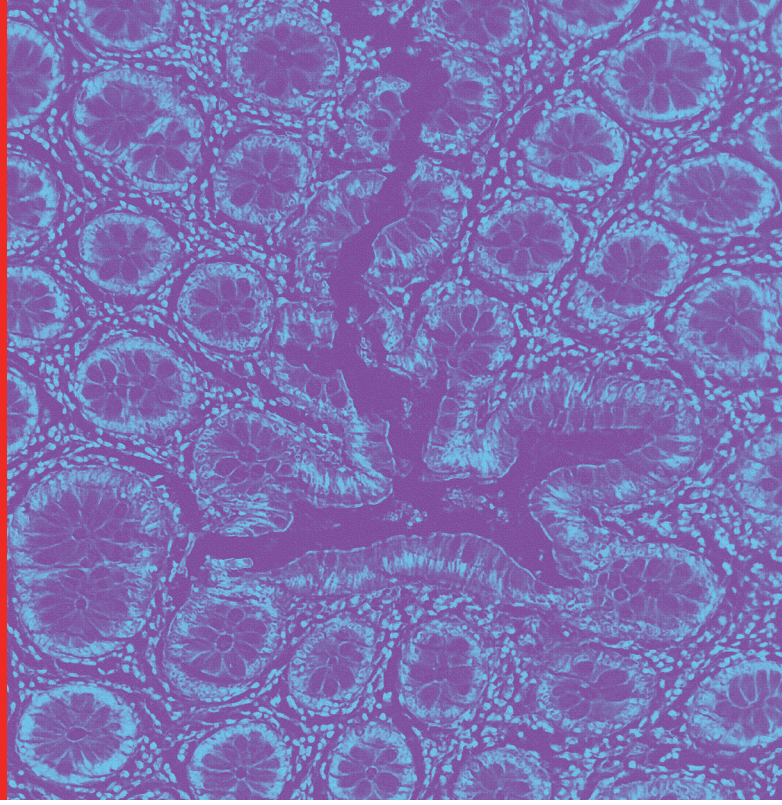
In the dynamic world of healthcare advancements, understanding the impact of emerging treatments like Cell and Gene Therapies (CGTs) is essential for making informed decisions about employee health benefits.

The CGT landscape is evolving rapidly. As of September 2024, there are at least 28 FDA-approved CGTs available in the US market,[1] and that number is predicted to reach 60+ product-indication approvals by 2030.[2] Some estimates suggest that approximately 100,000 patients will be treated with CGTs by 2030, with an estimated annual spend of $20 billion.[3]

Enhancing patient outcomes

CGTs are unique compared to traditional therapies—they have the potential to address the root cause of diseases and may only require a one-time administration.[4] For many patients, these therapies could mean fewer hospital visits, reduced need for ongoing treatments, and in some cases, a potential cure.[4,5,6]

This transition from chronic management to potential cure represents a paradigm shift in the treatment of rare diseases. When administered early enough, CGTs may potentially stop any damage before it occurs.[7,8]



Potential benefits to employers

By integrating CGTs into your health plans, employers can potentially provide:

1. **Access to new, transformative treatment options:** For certain diseases, when no other treatments exist, or current options are costly and only temporarily manage symptoms.[4]
2. **Slowed or halted disease progression:** In some cases, CGTs may be able to halt disease progression entirely by addressing its underlying genetic cause.[4,8]
3. **Reduced long-term healthcare costs:** With the right price point and benefit structure, CGTs have the potential to prevent costly lifelong medical interventions and may offset the costs of long-term treatment.[4,9,10]
4. **Quality-of-life improvements:** CGTs may offer improved function, reduced or eliminated pain and suffering, provide a psychological sense of well-being, and reduce strains on time and caregiving.[4]

Managing CGT costs

The personalized nature of CGTs and their complex manufacturing processes contribute to the high cost per treatment, typically ranging from $250,000 to $3.5 million per individual.[11] For employers considering CGTs in health benefits plans, understanding these costs is essential. The high initial investment should be evaluated against providing potential long-term savings and improved patient outcomes, which may benefit both employees and employers.

What this means for employers

For employers, understanding and managing CGT coverage signifies a commitment to supporting the health and well-being of employees using available advanced methods. This commitment is multifaceted, requiring a solid grasp of the therapies' value to patients and the associated financial costs. Employers are entrusted with balancing these factors when integrating CGTs into their health plans.

We hope the information provided helps to inform the decision-making process in incorporating CGTs into your company's health plans.

1. Approved cell and gene therapy (CGT) products. Tufts Medical Center. Accessed September 25, 2024. https://newdigs.tuftsmedicalcenter.org/payingforcures/defining-disruption/cell-and-gene-therapy-products-and-pipeline/approved-cell-and-gene-therapy-products/ **2.** Young CM, et al. Durable cell and gene therapy potential patient and financial impact: US projections of product approvals, patients treated, and product revenues. *Drug Discov Today.* 2022;27(1):17-30. https://doi.org/10.1016/j.drudis.2021.09.001 **3.** Deloitte. "Innovative CGT Financing Models." Deloitte United States, Deloitte Development LLC. Accessed February 5, 2025. https://www2.deloitte.com/us/en/pages/life-sciences-and-health-care/articles/innovative-cgt-financing-models.html **4.** Salzman R, et al. Addressing the value of gene therapy and enhancing patient access to transformative treatments. *Mol Ther.* 2018;26:2717-2726. https://doi.org/10.1016/j.ymthe.2018.10.017 **5.** Melenhorst JJ, et al. Decade-long leukaemia remissions with persistence of CD4+ CAR T cells. *Nature.* 2022;602:503-509. **6.** Johnson PC, et al. Longitudinal patient-reported outcomes in patients receiving chimeric antigen receptor T-cell therapy. *Blood Adv.* 2023;7:3541-3550. https://doi.org/10.1182/bloodadvances.2022009117 **7.** Gagliardi D, et al. Early spinal muscular atrophy treatment following newborn screening: A 20-month review of the first Italian regional experience. *Ann Clin Transl Neurol.* 2024;11:1090-1096. https://doi.org/10.1002/acn3.52018 **8.** Gene therapy basics. American Society for Cell and Gene Therapy. Updated October 31, 2022. Accessed February 13, 2025. https://patienteducation.asgct.org/gene-therapy-101/cell-therapy-basics **9.** Introduction to gene therapies (3rd edition). Sun Life. Updated February 2024. Accessed February 17, 2025. https://www.sunlife.com/us/en/about/insights-and-events/introduction-to-gene-therapies/ **10.** Brennan T, et al. White paper: Gene therapy keeping costs from negating its unprecedented potential. CVS Health. Accessed February 4, 2025. **11.** Apex Benefits. Benefits insight: cell and gene therapy cost management. May 24, 2023. Accessed February 10, 2025. https://apexbg.com/gene-therapy-cost-management/

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