

ARTICLE

Cost-Effectiveness of Chimeric Antigen Receptor T-Cell Therapy in Pediatric Relapsed/Refractory B-Cell Acute Lymphoblastic Leukemia

Reith R. Sarkar, Nicholas J. Gloude, Deborah Schiff, James D. Murphy

See the Notes section for the full list of authors' affiliations.

Correspondence to: James D. Murphy, MD, MS, Department of Radiation Medicine and Applied Sciences, University of California San Diego, 3960 Health Sciences Dr, MC0865, La Jolla, CA 92093-0865 (e-mail: j2murphy@ucsd.edu).

Abstract

Background: Chimeric antigen receptor T-cell (CAR-T) therapy is a promising new class of cancer therapy but has a high up-front cost. We evaluated the cost-effectiveness of CAR-T therapy among pediatric patients with relapsed/refractory B-cell acute lymphoblastic leukemia (B-ALL).

Methods: We built a microsimulation model for pediatric patients with relapsed/refractory B-ALL receiving either CAR-T therapy or standard of care. Outcomes included costs, quality of life (health utility), complications, and survival. We measured cost-effectiveness with the incremental cost-effectiveness ratio (ICER), with ICERs under \$100 000 per quality-adjusted life-year (QALY) considered cost effective. One-way and probabilistic sensitivity analyses were used to test model uncertainty.

Results: Compared to standard of care, CAR-T therapy increased overall cost by \$528 200 and improved effectiveness by 8.18 QALYs, resulting in an ICER of \$64 600/QALY. The model was sensitive to assumptions about long-term CAR-T survival, the complete remission rate of CAR-T patients, and the health utility of long-term survivors. The base model assumed a 76.0% one-year survival with CAR-T, although if this decreased to 57.8%, then CAR-T was no longer cost effective. If the complete remission rate of CAR-T recipients decreased from 81% to 56.2%, or if the health utility of disease-free survivors decreased from 0.94 to 0.66, then CAR-T was no longer cost effective. Probabilistic sensitivity analysis found that CAR-T was cost effective in 94.8% of iterations at a willingness to pay of \$100 000/QALY.

Conclusion: CAR-T therapy may represent a cost-effective option for pediatric relapsed/refractory B-ALL, although longer follow-up of CAR-T survivors is required to confirm validity of these findings.

The outcomes for pediatric B-cell acute lymphoblastic leukemia (B-ALL) patients overall have improved substantially over the past several years, with 10-year survival rates increasing from 69.3% in 1981 to 85.5% in 2010 (1–5). Despite this success, outcomes for the subset of patients who relapse or are refractory to initial treatment remain exceedingly poor. Until recently, no clear standard therapy existed for relapsed/refractory B-ALL patients, and, in general, patients enrolled into clinical trials or received intensified treatment with conventional agents not used in their first course of therapy (6). Unfortunately, with conventional therapy the 10-year overall survival has remained steady at around 30% for the past several years (7,8).

Recently, the development of anti-CD19 chimeric antigen receptor T-cell (CAR-T) therapy has led to increased optimism for patients with relapsed or refractory ALL (9). CAR-T therapy involves collection of a patient's T cells, which are genetically engineered to express activating receptors directed against antigens expressed by the patient's tumor cells and infused back into the patient. A single-center phase I/II study among pediatric patients with CD19+ relapsed or refractory ALL treated with tisagenlecleucel found a complete remission rate of 93% (10). An additional, more recent multi-institutional phase II study by Maude et al. (11) found an 81% remission rate and 76% overall survival at 1 year.

Received: May 8, 2018; Revised: July 18, 2018; Accepted: October 4, 2018

© The Author(s) 2018. Published by Oxford University Press. All rights reserved. For permissions, please email: journals.permissions@oup.com

CAR-T therapy has generated excitement surrounding its clinical potential, but has also gained attention because of the high up-front cost of treatment (12). A single dose of CAR-T therapy can cost up to \$475 000. Additionally, despite the clinical efficacy, CAR-T therapy can evoke an immune response, called cytokine release syndrome, that requires hospitalization, intensive care unit admission, and long-term medications that can further increase the cost of care (13,14). The potential clinical benefits of CAR-T therapy coupled with its high cost raise the issue of cost-effectiveness. At a time when health-care costs are rising exponentially (15), determining the value of new classes of therapy is of utmost importance. The purpose of this study was to analyze the cost-effectiveness of CAR-T therapy compared with standard therapy for pediatric patients with relapsed/refractory B-ALL.

Methods

Cost-Effectiveness Model

We developed an individual-based state-transition microsimulation model to simulate the clinical course of 100 000 pediatric patients with relapsed/refractory B-ALL who received either CAR-T therapy or standard of care. The microsimulation model incorporated costs, toxicity, quality of life, disease progression, and survival for simulated patients. We used a 1-month cycle length, and the simulation extended over the entire life of the patient. Microsimulation models have practical advantages over conventional Markov models in that they more readily simulate numerous health states, and also track an individual patient's history. These features of microsimulation models permit more complex and computationally feasible model design (16). The microsimulation model was constructed with TreeAge Pro 2017 (TreeAge Software, Williamstown, MA).

Patient Population and Treatment

The state-transition diagram (Figure 1) depicts how simulated patients moved through the microsimulation model. All patients started in the treatment health state, and could enter remission, suffer recurrence or progression, or die. Additionally, patients could experience acute and long-term toxicity attributable to their disease (described in detail below). The standard (base-case) patient was a 12-year-old boy weighing 40 kg, with a body surface area of 1.4 m². We derived model inputs from the literature to help model the risks of disease recurrence, toxicity, and survival for patients treated with CAR-T and standard of care therapy (11,17,18). For patients treated with CAR-T therapy, we modeled outcomes after the recent phase II study by Maude et al. (11), which included pediatric relapsed/refractory B-ALL patients treated with the anti-CD19 CAR-T therapy tisagenlecleucel. Patients in the CAR-T simulation group were assumed to have received lymphodepleting chemotherapy (fludarabine 30 mg/m² intravenously daily for 4 doses and cyclophosphamide 500 mg/m² intravenously daily for 2 doses) followed by CAR-T infusion (18). Patients who responded to CAR-T therapy were given intravenous immunoglobulin G (IVIG) infusion monthly for 18 months to treat B-cell aplasia, although this number was varied widely in our sensitivity analysis given that the required duration of IVIG remains unknown (11). Patients who failed to respond to CAR-T therapy received the standard-of-care arm treatment as salvage. The standard-of-care arm was modeled after a phase II trial by Hijjiya et al.

(17), where patients received up-front clofarabine (40 mg/m² daily for 5 doses), etoposide (100 mg/m² daily for 5 doses), and cyclophosphamide (440 mg/m² daily for 5 doses), followed by hematopoietic stem cell transplantation (HSCT) among responders. We assumed that if a patient survived for 2 years then they had experienced a "successful" HSCT, and we varied this successful HSCT threshold assumption in our sensitivity analysis. Our base-case model followed the Maude trial in that we did not require CAR-T responders to undergo a HSCT, although the role of HSCT after CAR-T is not entirely clear; therefore we tested this assumption in our sensitivity analysis. We estimated response rates directly from the Maude and Hijjiya trials. Supplementary Table 1 (available online) shows baseline demographic and clinical characteristics of the patients in these trials.

Model inputs including transition probabilities, costs, and health utilities are included in Table 1, and described further below.

Model Transition Probabilities

We hypothesized that our cost-effectiveness model would be sensitive to assumptions about survival, even though with the novelty of CAR-T therapy and lack of long-term clinical trial follow-up we lack data about long-term survival in responders. Therefore, we estimated the long-term survival of this population under a range of different assumptions described briefly below and described in more detail in the Supplementary Methods (available online). Our base-case survival estimate incorporated long-term survival information from the Surveillance, Epidemiology, and End Results database and mortality information collected by the US Social Security Administration. In addition to this base-case survival estimate, we modeled multiple alternative survival scenarios including an "optimistic" model, a "pessimistic" model, and a "fixed annual mortality" model. Finally, the Hijjiya trial included only 25 patients; therefore we conducted an additional sensitivity analysis using retrospective data from two additional, single-arm "standard therapy" studies [the Locatelli et al. trial (19) and the Miano et al. trial (20)] in place of the Hijjiya trial.

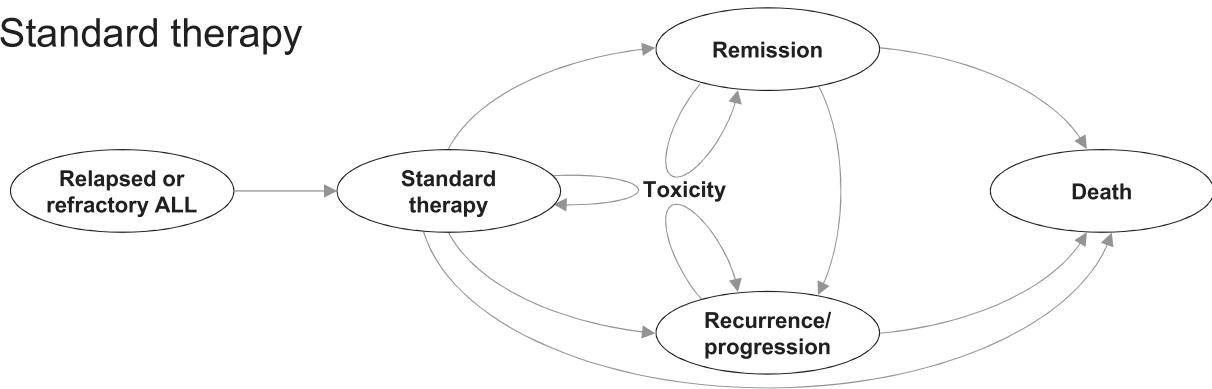
With respect to toxicity, we used clinical trial data to infer rates of toxicities including cytokine release syndrome, intensive care unit admission, infection, and hematologic toxicities. Patients can experience acute toxicity concurrently with the remission or disease progression health states. We allowed patients to experience toxicity related to long-term treatment for up to 10 years after treatment, although we varied this assumption in our sensitivity analyses.

Costs

The costs of systemic agents were estimated from the average wholesale price (21–26) with a standard 7% reduction (27). For tisagenlecleucel, we followed the outcomes-based reimbursement approach set forth by the manufacturer where payment is required only for those who respond to the drug (28). We held the cost of tisagenlecleucel constant for analysis with both the payer and societal perspectives. The costs of toxicity were taken from previously published literature (29–36). Patients who died after disease relapse incurred the cost of end-of-life care in the month in which they died (35).

All costs were adjusted to 2017 dollars via the Consumer Price Index to account for inflation.

Standard therapy



CAR-T therapy

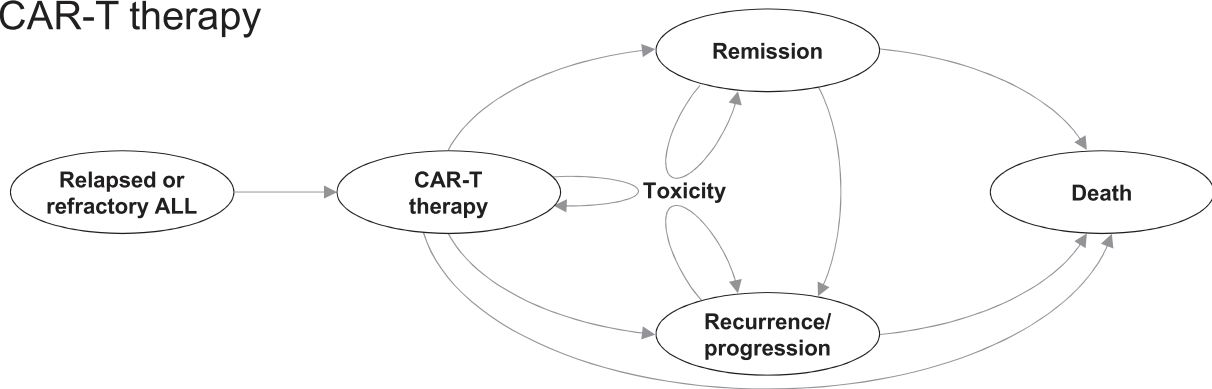


Figure 1. State-transition diagram. This figure demonstrates the primary disease states (ovals) of the microsimulation cost-effectiveness model. **Arrows** represent possible transitions from one health state to the next. Patients may experience toxicity and remain in their same state after acquiring a health utility deduction and cost penalty. Patients who initially received CAR-T but experienced disease progression received the standard therapy as salvage. ALL = acute lymphoblastic leukemia; CAR-T = chimeric antigen receptor T cell.

Outcomes Measures

We measured effectiveness in quality-adjusted life-years (QALYs), which represents the product of health utility and survival. Health utility characterizes quality of life, which ranges from 0 (death) to 1 (perfect health). We obtained health utility scores for separate health states from the literature (37–42). For patients experiencing toxicity, we subtracted health utility from their baseline scores. Specific values of health utility and utility reductions and literature sources are provided in [Table 1](#).

Analysis

We conducted this analysis according to principles put forth by the Second Panel on Cost-Effectiveness in Health and Medicine (43). We assumed a third-party payer perspective in our primary base-case analysis, and we also present a secondary analysis according to a societal perspective. The societal perspective includes all costs and utilities associated with an intervention regardless of who incurs them (27,43–45). We simulated health outcomes, costs, and survival over a lifetime horizon with a month-long cycle length, applying a 3% annual discount rate for all costs and QALYs. We evaluated the cost-effectiveness of CAR-T therapy compared to standard of care with an incremental cost-effectiveness ratio (ICER) defined as the incremental cost between the two treatments divided by the incremental effectiveness (incremental QALYs). We used a willingness-to-pay threshold of \$100 000/QALY, with ICERs under this benchmark

considered cost effective (46). Our base-case microsimulation included 100 000 simulated patients.

We performed one-way deterministic sensitivity analyses on each variable in the model to identify influential parameters. We also conducted a probabilistic sensitivity analysis to determine the impact of uncertainty in all model inputs (transition probabilities, costs, and health utilities) using a Monte Carlo microsimulation with 500 samples and 250 trials. Costs were modeled with gamma distributions; transition probabilities and health utilities were modeled with beta distributions. When not available in the literature, standard deviations for probabilities, costs, and utilities were assumed to be 20% of the mean (27,47). We tested different values of our unknown SDs (range = 10%–40% of the mean), and this did not affect our results (data not shown).

Results

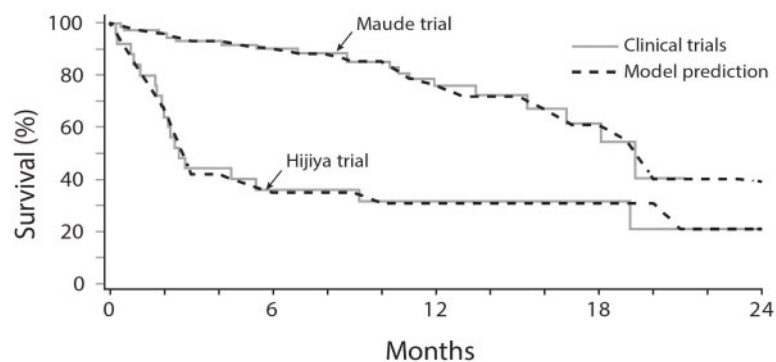
The cost-effectiveness microsimulation model produced progression, survival, and toxicity estimates that closely mimicked the literature ([Figure 2](#) shows model validation results). In our base-case cost-effectiveness analysis, the total cost associated with standard therapy was \$440 600, which increased to \$968 800 for CAR-T therapy. The effectiveness of standard therapy was 8.58 QALYs, which increased to 16.76 QALYs for CAR-T therapy. CAR-T increased overall cost by \$528 200 and improved effectiveness by 8.18 QALYs, which produced an ICER of \$64 600 per QALY per payer perspective, which would be considered

Table 1. Parameters for cost-effectiveness model*

Parameter	Value (SD)	Distribution	Reference
Costs			
CAR-T therapy costs			
CAR-T infusion (tisagenlecleucel)	475 000 (95 000)	Gamma	Bach et al., 2017 (12)
Lymphodepleting chemotherapy	1758 (351)	Gamma	AWP (18–23)
ICU admission	32 723 (12 539)	Gamma	Chalom et al., 1999 (32)
Tocilizumab	2048 (410)	Gamma	AWP (18–23)
Infection	4773 (2462)	Gamma	Rashid et al., 2016 (33)
Cytopenia	1655 (331)	Gamma	Ershler et al., 2005; Elting et al., 2003; Michels et al., 2012 (29–31)
Febrile neutropenia	1310 (262)		Michels, et al., 2012 (31)
IVIg	5940 (1188)	Gamma	AWP (18–23)
Standard-of-care costs			
Chemotherapy regimen			
Anemia	51 286 (10 257)	Gamma	AWP (18–23)
Thrombocytopenia	2134 (427)	Gamma	Ershler et al., 2005 (29)
Febrile neutropenia	1520 (304)	Gamma	Elting et al., 2003 (30)
Infection	1310 (262)	Gamma	Michels et al., 2012 (31)
Successful HSCT	4773 (2462)	Gamma	Rashid et al., 2016 (33)
Failed HSCT	299 987 (147 195)	Gamma	Lin et al., 2010 (34)
General disease-related costs	459 682 (355 198)	Gamma	Lin et al., 2010 (34)
End-of-life costs	961 (192)	Gamma	Mariotto et al., 2011 (36)
Societal costs†	12 867 (17 252)	Gamma	Johnston et al., 2018 (35)
Caregiver	577 (115)	Gamma	Li, et al., 2013 (44)
Patient time	1687 (337)	Gamma	Hopkins et al., 2010 (45)
Parking/meals/transportation	315 (63)	Gamma	Tringale et al., 2017 (27)
Health utility			
Baseline ALL	0.94 (0.188)	Beta	Furlong et al., 2012 (38)
Disease progression	−0.64 (0.13)	Beta	Aristides et al., 2015 (40)
Up-front treatment	−0.42 (0.084)	Beta	Hettle et al., 2017 (39)
HSCT	−0.57 (0.114)	Beta	Sung et al., 2003 (37)
Cytokine release syndrome	−0.47 (0.09)	Beta	Beauchemin et al., 2016 (41)
ICU admission	−0.16 (0.03)	Beta	Cuthbertson et al., 2005 (42)
Infection	−0.23 (0.04)	Beta	Beauchemin et al., 2016 (41)
Cytopenia	−0.19 (0.04)	Beta	Beauchemin et al., 2016 (41)
Neurotoxicity	−0.19 (0.04)	Beta	Beauchemin et al., 2016 (41)
Anemia	−0.19 (0.04)	Beta	Beauchemin et al., 2016 (41)
Thrombocytopenia	−0.11 (0.02)	Beta	Beauchemin et al., 2016 (41)
Febrile neutropenia	−0.25 (0.05)	Beta	Beauchemin et al., 2016 (41)
Transition probabilities			
CAR-T transition probabilities			
Cytokine release syndrome	0.77 (0.05)	Beta	Maude et al., 2018 (11); FDA Drug Advisory Committee Meeting, 2017 (18)
ICU admission	0.46 (0.06)	Beta	
Tocilizumab (for cytokine release syndrome)	0.38 (0.06)	Beta	
Infection	0.43 (0.06)	Beta	
Cytopenia	0.37 (0.06)	Beta	
Neurotoxicity	0.4 (0.06)	Beta	
Febrile neutropenia	0.35 (0.06)	Beta	
Complete remission	0.81 (0.05)	Beta	
Overall survival at 1 year	0.76		
Standard-of-care transition probabilities			
Anemia	0.64 (0.1)	Beta	Hijiya et al., 2011 (17)
Thrombocytopenia	0.64 (0.1)	Beta	
Febrile neutropenia	0.6 (0.1)	Beta	
Infection	0.76 (0.09)	Beta	
Complete remission	0.44 (0.1)	Beta	
HSCT after remission	0.91 (0.06)	Beta	
Overall survival at 1 y	0.31		

*Treatment-related, ICU, and end-of-life costs were applied once in 2017 dollars. All other costs are shown as per-month values in 2017 dollars. ALL = acute lymphoblastic leukemia; AWP = average wholesale price; CAR-T = chimeric antigen receptor T cell; HSCT = hematopoietic stem cell transplantation; ICU = intensive care unit; IVIG = intravenous immunoglobulin G.

†Societal costs were included in the societal perspective model only.



Study Outcome	Cost-effectiveness model, %	Literature values, %
Overall Survival (1 year)		
CAR-T	76.1	76.0
Standard of Care	29.9	31.0
Progressive Disease		
CAR-T	19.0	18.7
Standard of Care	59.6	56.0
Major CAR-T Toxicity		
CRS	76.9	77.3
Infection	43.4	42.7
Major SOC Toxicity		
Hematologic	64.1	64.0
Infection	76.0	76.0

Figure 2. Model validation. This figure demonstrates the internal validation of the cost-effectiveness model. The **top panel** (plot) demonstrates how our model (dotted lines) predicts survival compared with the published clinical data from the Maude (11) and Hijiya (17) trials (superimposed). The **bottom panel** (table) demonstrates how our model predicts overall survival, disease progression, and major toxicities compared with the Maude and Hijiya trials. CAR-T = chimeric antigen receptor T cell; CRS = cytokine release syndrome; SOC = standard of care.

cost effective under the threshold of \$100 000 per QALY. When considering a societal perspective, the ICER increased minimally to \$69 500 per QALY.

Our cost-effectiveness analysis was most sensitive to assumptions regarding long-term CAR-T survival, the proportion of CAR-T patients achieving complete remission, and the health utility of posttreatment patients (Figure 3). Our base-case analysis assumed that the 1-year survival of patients receiving CAR-T therapy was 76.0%. If the 1-year survival dropped below 57.8% then the ICER rose above \$100 000 per QALY, and CAR-T therapy would not be considered cost effective. When we assumed an optimistic survival model, the ICER of CAR-T therapy decreased to \$55 200 per QALY. On the other hand, assuming a pessimistic survival model with an increased risk of long-term mortality, the ICER of CAR-T therapy increased to \$101 500 per QALY. Additional sensitivity analyses with survival are included in the [Supplementary Table 2](#) (available online).

Our base-case model assumed an 81.0% complete remission rate based on the Maude trial (11). If this complete remission rate dropped below 56.2%, then the ICER increased above \$100 000 per QALY. Our base-case analysis assumed that the long-term health utility of disease-free survivors was 0.94. If this health utility dropped below 0.66, then the ICER rose above \$100 000 per QALY. If the cost of CAR T-cell therapy infusion increased from \$475 000 to \$875 000, then CAR T-cell therapy would become cost-ineffective. Our base model assumed outcome-based pricing where payment was required only for those who respond to CAR-T therapy. If we assumed the cost applied to all patients who receive CAR-T therapy regardless of

response, then the ICER would increase to \$75 600 per QALY. We assumed that IVIG would be necessary for 18 months in CAR-T therapy responders to treat B-cell aplasia (11), although if B-cell aplasia for long-term responders persisted, and if IVIG was required for more than 15 years, then CAR-T therapy would become cost ineffective. Our base model assumed that CAR-T responders did not require HSCT. If we assume that 10.0% of responders received HSCT the ICER increased to \$67 200 per QALY, and if 100% of responders received HSCT the ICER increased to \$91 700 per QALY. Our model was not particularly sensitive to assumptions about the risk of toxicity, or other costs or health utilities.

The results of the probabilistic sensitivity analysis are shown in Figure 4. We found that CAR-T therapy would be cost effective 94.8% of the time at a willingness-to-pay threshold of \$100 000 per QALY. At a willingness-to-pay threshold of \$200 000 per QALY, CAR-T would be cost effective 99.8% of the time.

Discussion

US spending on cancer care rose from \$27 billion in 1990 to \$87.8 billion in 2014 and is projected to reach \$158 billion by 2020 (36,48). The increase in cancer drug prices represents a key component in the uptick of overall cancer expenditure. The average cancer drug price before the year 2000 was under \$10 000 per year, although by the year 2012 the cost of 12 of 13 drugs approved for cancer topped \$100 000 per year (49). This current

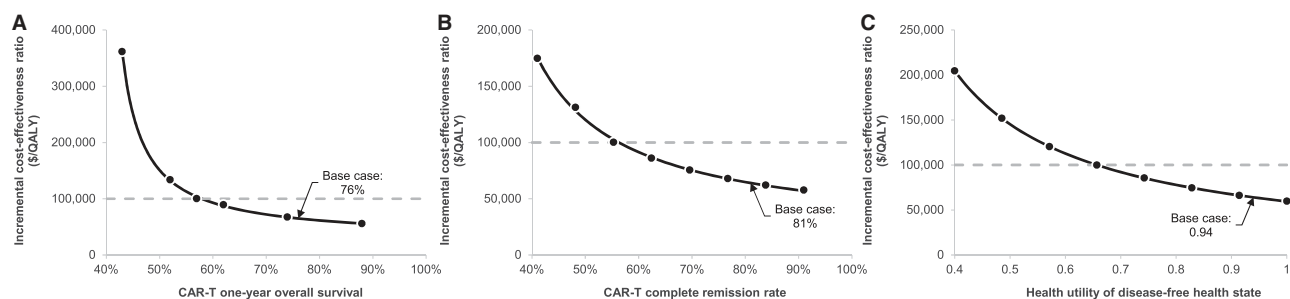


Figure 3. One-way sensitivity analysis. These plots depict the cost-effectiveness of chimeric antigen receptor T-cell (CAR-T) therapy compared to standard therapy as measured with the incremental cost-effectiveness ratio. The dashed line reflects the willingness-to-pay threshold of \$100 000, with values below this line considered cost effective. Individual plots show how the cost-effectiveness of CAR-T therapy varies by (A) CAR-T 1-year overall survival, (B) CAR-T complete remission rate, and (C) Health utility of disease-free health state. QALY = quality-adjusted life-year.

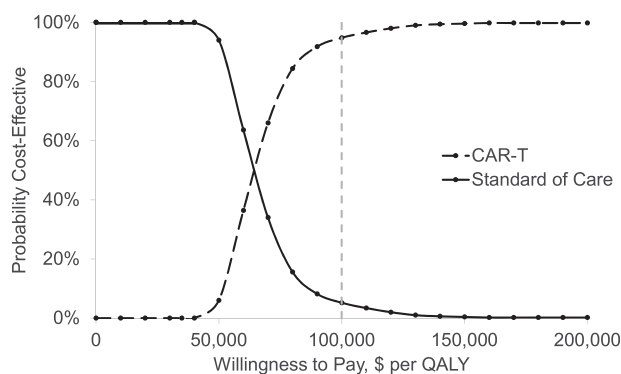


Figure 4. Probabilistic sensitivity analysis. This plot demonstrates a cost-effectiveness acceptability curve. The plot shows the results of a probabilistic sensitivity analysis comparing the cost-effectiveness of chimeric antigen receptor T-cell (CAR-T) therapy with standard therapy for pediatric relapsed/refractory B-cell acute lymphoblastic leukemia. The gray dotted line reflects the willingness to pay threshold of \$100 000 per quality-adjusted life-year (QALY).

study evaluated CAR-T therapy, which at \$475 000 represents the costliest cancer drug ever approved by the US Food and Drug Administration. Despite the high cost of CAR-T therapy, this study found that the treatment may be cost effective compared to standard therapy—largely due to the substantial survival advantage afforded by CAR-T therapy. This study found that CAR-T therapy led to an improvement of 8 QALYs in pediatric B-ALL patients.

Cost-effectiveness research measures *value* in health care; although value represents an important concept, one must also consider implications of the outright cost and affordability of therapy. These costs affect multiple stakeholders across the health-care spectrum, although the burden of cost increasingly falls on the patient. Recent studies demonstrate that patients increasingly experience the consequences of financial toxicity due to high out-of-pocket costs (49). CAR-T therapy is one of the most expensive treatment options ever introduced to the market, and, if approved by the Food and Drug Administration for multiple indications, could have a dramatic effect on health-care spending and individual patient burden (12). Beyond CAR-T therapy, oncology as a whole represents one of the fastest growing sectors of health-care spending (50), with costly immunotherapy drugs recently becoming first-line standard of care in the management of several common cancers (51,52). The United States spends more on prescription drugs than any country in the industrialized world (53). The \$475 000 price of tisagenlecleucel raises the important consideration of

“affordability,” which stands somewhat apart from “cost-effectiveness.” Additionally, these expensive innovative systemic therapies will require equally innovative payment models. This may include the “outcomes-based pay” that Novartis uses for tisagenlecleucel. Other payment options include incremental payments over time rather than fixed upfront sum payment, indication-specific pricing, or models that defer part of the payment until the drug is confirmed to be efficacious with long-term follow-up (54). Health policy involving drug pricing in the United States represents a complex and politically fraught subject—yet meaningful drug policy discourse will become increasingly imperative with the wave of novel costly therapeutics.

Given the high cost of CAR-T therapy other organizations have considered the cost-effectiveness of this class of therapy. The United Kingdom’s National Institute for Health and Care Excellence presented a report that found an ICER of £49 994 per QALY, which translates to \$US70 014 per QALY (55). Similarly, the Institute for Clinical and Economic Review conducted a cost-effectiveness analysis that found that CAR-T therapy had an ICER of \$57 093 per QALY compared to standard therapy (56). Our analysis differs from the above organizations in that we used a microsimulation model rather than a Markov model, permitting more complex model design than traditional Markov models (16). Additionally, we used the recently published results of the ELIANA trial to inform the CAR-T arm of our model (11). Even with the differing techniques and data sources, the ICER in this current study (\$64 600 per QALY) was similar to these external reports, which provides external validation to further support the results of this study.

Our cost-effectiveness model’s sensitivity to assumptions about survival represents an important point worth discussion. Given the novelty of CAR-T therapy, we lack an understanding about long-term outcomes of patients receiving this therapy. We tested a range of assumptions about the survival benefits of CAR-T therapy and overall found modest sensitivity to assumptions about survival. Despite the findings in our sensitivity analysis, long-term understanding about the efficacy of CAR-T therapy remains unknown, and hypothetical factors such as late relapses or unknown late-developing toxicities could sway cost-effectiveness away from CAR-T therapy.

This cost-effectiveness study has other limitations worth noting. As mentioned, CAR-T therapy is a new therapy and thus we lack long-term data on survival, costs, role of HSCT after CAR-T, and complications that could influence these cost-effectiveness analysis results. Therefore, these early findings of cost-effectiveness for CAR-T therapy could shift with more mature data. Additionally, we lack information on the duration of

long-term B-cell aplasia and the duration of need for costly monthly IVIG. Our sensitivity analyses demonstrate the relative stability of our model under differing circumstances, although unknown future outcomes could sway our study results. Another limitation relates to the quality of data used to inform our model. Ideally cost-effectiveness research would incorporate model inputs from a randomized phase III trial comparing CAR-T therapy to standard of care (57). However, CAR-T therapy has already received approval from the Food and Drug Administration based on the compelling results from phase I/II studies; therefore, because of practical and ethical reasons, it is unlikely we will see a randomized phase III trial in this population. Additionally, producing a batch of CAR-T cells takes time, and a fraction of the patients will not receive their intended CAR-T therapy [18% in the Maude (11) study]. The outcomes of these patients are not well described in the Maude study, and although production speed of CAR-T therapy has increased, incorporating these patients in the model would make CAR-T less cost effective. We assumed that patients who progressed after CAR-T received standard therapy as salvage, increasing cost and decreasing health utility for this patient subset. Given that there is no data on how CAR-T nonresponders will fare with salvage chemotherapy we assumed they had similar response rates as those who did not initially receive CAR-T, which may not be confirmed by longer-term follow-up of CAR-T nonresponders. Lastly, our model inputs including costs and utilities arose from heterogeneous resources, although our cost-effectiveness model was not particularly sensitive to these variables.

Despite these limitations, this study found CAR-T therapy would be considered cost-effective in treating relapsed or refractory pediatric B-ALL patients. However, follow-up to assess long-term outcomes is required to confirm the validity of these preliminary findings.

Funding

This work was supported by the National Institutes of Health (grant number 1TL1TR001443) to RRS.

Notes

Affiliations of authors: University of California San Diego School of Medicine, UCSD School of Medicine, La Jolla, CA (RRS, NJG, DS, JDM); Department of Radiation Medicine and Applied Sciences, University of California San Diego, La Jolla, CA (RRS, JDM); Department of Pediatrics, Division of Pediatric Hematology/Oncology, Rady Children's Hospital, San Diego, CA (NJG, DS).

The funder had no role in the design of the study; the collection, analysis, or interpretation of the data; the writing of the manuscript; or the decision to submit the manuscript for publication.

The authors have no conflicts of interest to report.

We thank Jane Chan of the Rady Children's Hospital Pharmacy Department for her help in determining the cost of systemic agents.

References

- Hunger SP, Lu X, Devidas M, et al. Improved survival for children and adolescents with acute lymphoblastic leukemia between 1990 and 2005: a report from the Children's Oncology Group. *J Clin Oncol*. 2012;30(14):1663–1669.
- Escherich G, Horstmann MA, Zimmermann M, et al. Cooperative study group for childhood acute lymphoblastic leukaemia (COALL): long-term results of trials 82, 85, 89, 92 and 97. *Leukemia*. 2010;24(2):298–308.
- Conter V, Aricò M, Basso G, et al. Long-term results of the Italian Association of Pediatric Hematology and Oncology (AIEOP) Studies 82, 87, 88, 91 and 95 for childhood acute lymphoblastic leukemia. *Leukemia*. 2010;24(2):255–264.
- Stary J, Zimmermann M, Campbell M, et al. Intensive chemotherapy for childhood acute lymphoblastic leukemia: results of the randomized intercontinental trial ALL IC-BFM 2002. *J Clin Oncol*. 2014;32(3):174–184.
- Ma H, Sun H, Sun X. Survival improvement by decade of patients aged 0-14 years with acute lymphoblastic leukemia: a SEER analysis. *Sci Rep*. 2014;4:4227.
- Cooper SL, Brown PA. Treatment of pediatric acute lymphoblastic leukemia. *Pediatr Clin North Am*. 2015;62(1):61–73.
- Pui CH, Yang JJ, Hunger SP, et al. Childhood acute lymphoblastic leukemia: progress through collaboration. *J Clin Oncol*. 2015;33(27):2938–2948.
- Schrapppe M, Hunger SP, Pui CH, et al. Outcomes after induction failure in childhood acute lymphoblastic leukemia. *N Engl J Med*. 2012;366(15):1371–1381.
- Lee DW, Kochenderfer JN, Stetler-Stevenson M, et al. T cells expressing CD19 chimeric antigen receptors for acute lymphoblastic leukaemia in children and young adults: a phase 1 dose-escalation trial. *Lancet*. 2015;385(9967):517–528.
- Maude SL, Barrett DM, Rheingold SR, et al. Efficacy of humanized CD19-targeted chimeric antigen receptor (CAR)-modified T cells in children and young adults with relapsed/refractory acute lymphoblastic leukemia. *Blood*. 2016;128(22):217.
- Maude SL, Laetsch TW, Buechner J, et al. Tisagenlecleucel in children and young adults with B-cell lymphoblastic leukemia. *N Engl J Med*. 2018;378(5):439–448.
- Bach PB, Giral SA, Saltz LB. FDA approval of tisagenlecleucel: promise and complexities of a \$475,000 cancer drug. *JAMA*. 2017;318(19):1861–1862.
- Maude SL, Barrett D, Teachey DT, et al. Managing cytokine release syndrome associated with novel T cell-engaging therapies. *Cancer J*. 2014;20(2):119–122.
- Fitzgerald JC, Weiss SL, Maude SL, et al. Cytokine release syndrome after chimeric antigen receptor T cell therapy for acute lymphoblastic leukemia. *Crit Care Med*. 2017;45(2):e124–e131.
- Warren JL, Yabroff KR, Meekins A, et al. Evaluation of trends in the cost of initial cancer treatment. *J Natl Cancer Inst*. 2008;100(12):888–897.
- Weinstein MC. Recent developments in decision-analytic modelling for economic evaluation. *Pharmacoeconomics*. 2006;24(11):1043–1053.
- Hijiya N, Thomson B, Isakoff MS, et al. Phase 2 trial of clofarabine in combination with etoposide and cyclophosphamide in pediatric patients with refractory or relapsed acute lymphoblastic leukemia. *Blood*. 2011;118(23):6043–6049.
- U.S. Food & Drug Administration, Drugs Advisory Committee Meeting BLS 125646 Tisagenlecleucel Novartis Pharmaceuticals Corporation. <https://www.fda.gov/downloads/AdvisoryCommittees/CommitteesMeeting-Materials/Drugs/OncologicDrugsAdvisoryCommittee/UCM566166.pdf>. Accessed December 12, 2017.
- Locatelli F, Testi AM, Bernardo ME, et al. Clofarabine, cyclophosphamide and etoposide as single-course re-induction therapy for children with refractory/multiple relapsed acute lymphoblastic leukaemia. *Br J Haematol*. 2009;147(3):371–378.
- Miano M, Pistorio A, Putti MC, et al. Clofarabine, cyclophosphamide and etoposide for the treatment of relapsed or resistant acute leukemia in pediatric patients. *Leuk Lymphoma*. 2012;53(9):1693–1698.
- Clofarabine: *Pediatric Drug Information*. UpToDate. Waltham, Mass: UpToDate; 2018. www.uptodate.com. Accessed April 10, 2018.
- Cyclophosphamide: *Pediatric Drug Information*. UpToDate. Waltham, Mass: UpToDate; 2018. www.uptodate.com. Accessed April 10, 2018.
- Etoposide: *Pediatric Drug Information*. UpToDate. Waltham, Mass: UpToDate; 2018. www.uptodate.com. Accessed April 10, 2018.
- Fludarabine: *Pediatric Drug Information*. UpToDate. Waltham, Mass: UpToDate; 2018. www.uptodate.com. Accessed April 10, 2018.
- Immune Globulin (Intravenous, Subcutaneous, and Intramuscular): *Pediatric Drug Information*. UpToDate. Waltham, Mass: UpToDate; 2018. www.uptodate.com. Accessed April 10, 2018.
- Tocilizumab: *Pediatric Drug Information*. UpToDate. Waltham, Mass: UpToDate; 2018. www.uptodate.com. Accessed April 10, 2018.
- Tringale KR, Carroll KT, Zakeri K, et al. Cost-effectiveness analysis of nivolumab for treatment of platinum-resistant recurrent or metastatic squamous cell carcinoma of the head and neck. *J Natl Cancer Inst*. 2018;110(5):479–485.
- Mukherjee S. Is \$475,000 too high a price for Novartis's 'historic' cancer gene therapy? *FORTUNE*, August 31, 2017. <http://fortune.com/2017/08/31/novartis-kymriah-car-t-cms-price/>. Accessed April 23, 2018.
- Ershler WB, Chen K, Reyes EB, et al. Economic burden of patients with anemia in selected diseases. *Value Health*. 2005;8(6):629–638.
- Elting LS, Cantor SB, Martin CG, et al. Cost of chemotherapy-induced thrombocytopenia among patients with lymphoma or solid tumors. *Cancer*. 2003;97(6):1541–1550.
- Michels SL, Barron RL, Reynolds MW, et al. Costs associated with febrile neutropenia in the US. *Pharmacoeconomics*. 2012;30(9):809–823.

32. Chalom R, Raphaely RC, Costarino AT. Hospital costs of pediatric intensive care. *Crit Care Med*. 1999;27(10):2079–2085.
33. Rashid N, Koh HA, Baca HC, et al. Economic burden related to chemotherapy-related adverse events in patients with metastatic breast cancer in an integrated health care system. *Breast Cancer (Dove Med Press)*. 2016;8:173–181.
34. Lin YF, Lairson DR, Chan W, et al. The costs and cost-effectiveness of allogeneic peripheral blood stem cell transplantation versus bone marrow transplantation in pediatric patients with acute leukemia. *Biol Blood Marrow Transplant*. 2010;16(9):1272–1281.
35. Johnston EE, Alvarez E, Saynina O, et al. Inpatient utilization and disparities: the last year of life of adolescent and young adult oncology patients in California. *Cancer*. 2018;124(8):1819–1827.
36. Mariotto AB, Yabroff KR, Shao Y, et al. Projections of the cost of cancer care in the United States: 2010–2020. *J Natl Cancer Inst*. 2011;103(2):117–128.
37. Sung L, Buckstein R, Doyle JJ, et al. Treatment options for patients with acute myeloid leukemia with a matched sibling donor: a decision analysis. *Cancer*. 2003;97(3):592–600.
38. Furlong W, Rae C, Feeny D, et al. Health-related quality of life among children with acute lymphoblastic leukemia. *Pediatr Blood Cancer*. 2012;59(4):717–724.
39. Hettle R, Corbett M, Hinde S, et al. The assessment and appraisal of regenerative medicines and cell therapy products: an exploration of methods for review, economic evaluation and appraisal. *Health Technol Assess*. 2017;21(7):1–204.
40. Aristides M, Barlev A, Barber B, et al. Population preference values for health states in relapsed or refractory B-precursor acute lymphoblastic leukemia in the United Kingdom. *Health Qual Life Outcomes*. 2015;13:181.
41. Beauchemin C, Letarte N, Mathurin K, et al. A global economic model to assess the cost-effectiveness of new treatments for advanced breast cancer in Canada. *J Med Econ*. 2016;19(6):619–629.
42. Cuthbertson BH, Scott J, Strachan M, et al. Quality of life before and after intensive care. *Anaesthesia*. 2005;60(4):332–339.
43. Sanders GD, Neumann PJ, Basu A, et al. Recommendations for conduct, methodological practices, and reporting of cost-effectiveness analyses: second Panel on Cost-Effectiveness in Health and Medicine. *JAMA*. 2016;316(10):1093–1103.
44. Li C, Zeliadt SB, Hall IJ, et al. Burden among partner caregivers of patients diagnosed with localized prostate cancer within 1 year after diagnosis: an economic perspective. *Support Care Cancer*. 2013;21(12):3461–3469.
45. Hopkins RB, Goeree R, Longo CJ. Estimating the national wage loss from cancer in Canada. *Curr Oncol*. 2010;17(2):40–49.
46. Braithwaite RS, Meltzer DO, King JT, et al. What does the value of modern medicine say about the \$50,000 per quality-adjusted life-year decision rule? *Med Care*. 2008;46(4):349–356.
47. Acevedo JR, Fero KE, Wilson B, et al. Cost-effectiveness analysis of elective neck dissection in patients with clinically node-negative oral cavity cancer. *J Clin Oncol*. 2016;34(32):3886–3891.
48. Elkin EB, Bach PB. Cancer's next frontier: addressing high and increasing costs. *JAMA*. 2010;303(11):1086–1087.
49. Light DW, Kantarjian H. Market spiral pricing of cancer drugs. *Cancer*. 2013;119(22):3900–3902.
50. Shih YC, Eting LS, Pavluck AL, et al. Immunotherapy in the initial treatment of newly diagnosed cancer patients: utilization trend and cost projections for non-Hodgkin's lymphoma, metastatic breast cancer, and metastatic colorectal cancer. *Cancer Invest*. 2010;28(1):46–53.
51. Weber J, Mandala M, Del Vecchio M, et al. Adjuvant nivolumab versus ipilimumab in resected stage III or IV melanoma. *N Engl J Med*. 2017;377(19):1824–1835.
52. Gandhi L, Rodríguez-Abreu D, Gadgeel S, et al. Pembrolizumab plus chemotherapy in metastatic non-small-cell lung cancer. *N Engl J Med*. 2018;378:2078–2092.
53. Kesselheim AS, Avorn J, Sarpatwari A. The high cost of prescription drugs in the united states: origins and prospects for reform. *JAMA*. 2016;316(8):858–871.
54. Gellad WF, Kesselheim AS. Accelerated approval and expensive drugs—a challenging combination. *N Engl J Med*. 2017;376(21):2001–2004.
55. Hettle R, Corbett M, Hinde S, et al. *Exploring the Assessment and Appraisal of Regenerative Medicines and Cell Therapy Products*. Winchester, England: The National Institute for Health and Care Excellence; 2015. <https://www.nice.org.uk>. Accessed Jan 23, 2018.
56. Tice J, Walsh J, Otuonye I, et al. *Chimeric Antigen Receptor T-Cell Therapy for B-Cell Cancers: Effectiveness and Value Draft Evidence Report*. Boston, MA: Institute for Clinical and Economic Review; 2017. <https://icer-review.org>. Accessed Jan 23, 2018.
57. Drummond M, Sculpher M, Claxton K, et al. *Methods for the Economic Evaluation of Health Care Programmes*. 4th ed. Oxford, United Kingdom: Oxford University Press; 2015.