

Date XX, 2017

The Honorable Thomas E. Price  
Secretary  
U.S. Department of Health and Human Services  
200 Independence Ave., SW  
Washington, DC 20201

Dear Secretary Price:

The undersigned organizations – representing XX.... organizations – are writing to urge you to protect the Medicare Part B program for reimbursing providers for drugs and biologics administered by physicians. The Medicare Payment Advisory Commission (MedPAC), Center for Medicare and Medicaid Innovation (CMMI), and others have recently recommended policies to change Part B that would jeopardize access to care, force community clinics to close, and could even increase costs for seniors. The common theme in these proposals, is that all would further drive health care consolidation, diminish patient access, and impede physicians' ability to practice medicine and provide personalized care. We urge you to reject these proposals and others that would undermine the Medicare program and harm patients.

As you know, Medicare Part B is vital to maintaining the health of seniors and individuals with disabilities. Not only does the program cover routine medical care provided in a doctor's office, it also covers medications administered in an outpatient setting. These medications are administered to some of the most vulnerable patients enrolled in Medicare since they typically treat serious conditions including cancer, macular degeneration, hypertension, rheumatoid arthritis, mental illness, Crohn's disease, ulcerative colitis, and primary immunodeficiency diseases. These medications are essential for the seniors who use them, and reflect a very small percentage of Medicare spending, just 3 percent.

The Part B program is working well to give patients and doctors the flexibility they need. In addition, Part B providers are transitioning to new value-based payment systems. The new Quality Payment Program provides incentives for physicians to participate in qualifying Alternative Payment Models (APMs) and physicians are already participating in APMs that include Part B drug spending (e.g., Oncology Care Model). Layering on additional programmatic changes to Part B would impede efforts to transition to these new payment models.

We greatly appreciate the leading role you played last year to raise awareness of the harmful impact that the Obama Administration's Part B Drug Payment Model "experiment" would have had on physicians and patients. This model was problematic for many reasons including pushing mandatory, disruptive, and near-nationwide policy changes under the guise of a "demonstration" that could have significantly hurt the sickest and most vulnerable patients. While the "experiment" was abandoned last year due to the strong opposition from patients and physicians and strong, bipartisan opposition from you and your colleagues, we urge you to formally withdraw the Part B Drug Payment Model to ensure that patients cannot be subject to these harmful policies.

Given the large opposition to the Part B Drug Payment Model last year, we were deeply disappointed and concerned to see MedPAC approve recommendations on Part B in April 2017 that could make it more difficult for physicians, particularly those in small practices and in rural settings, to administer Part B medications in the community, further driving consolidation. Some patients already face access

challenges because the budget sequester has eroded reimbursements to physicians, and MedPAC's recommendations would exacerbate these problems. As outlined in our April 3, 2017, letter to MedPAC, patients would be left with fewer locations where they can receive care, resulting in less access and higher costs. A growing number of patients would then have to seek care in a hospital, which may require traveling a longer distance to receive care and would result in higher out of pocket costs, particularly in rural communities. Further, changes to payment structures could necessitate altering treatment plans that are currently working well for patients, creating an unnecessary and damaging burden. In particular, MedPAC's "Drug Value Program" would create a middleman between doctors and their patients by placing new restrictions on treatment decisions that currently do not exist within Part B. We urge you to reject the use of the MedPAC proposals and any such proposals that over-bureaucratize Part B.

Due to the harm the Part B Drug Payment Model and similar recommendations from MedPAC could mean for patients, we urge you to establish strong patient protections within the CMMI, such as limiting the size and scope of future demonstrations, engaging with patients, providers, and other stakeholders prior to launching demonstrations, keeping them voluntary, and including safeguards for patients to access the therapies they need.

Medicare is an incredibly important program, and overseeing it is a monumental, difficult and critical duty that you have been appointed to perform. We greatly appreciate the commitment you have shown to patients through every phase of your professional career – as a doctor, a Member of Congress, and now Secretary of Health and Human Services. We look forward to working with you to protect the Part B program and urge you to withdraw the Part B Drug Payment Model, eschew harmful proposals like MedPAC's, and implement safeguards to ensure the principles of patient protection extend beyond your tenure.

Sincerely,

*Signers*