

May 5, 2023

James Matthews, PhD
Director
Medicare Payment Advisory Commission
425 I Street, NW
Suite 701
Washington, DC 20001

Submitted electronically

RE: Addressing the high prices of drugs covered under Medicare Part B

Dear Director Matthews,

On behalf of the 7,700 members of the American College of Rheumatology (ACR), I write to express our significant concerns related to the Medicare Payment Advisory Commission's (MedPAC) policy recommendations on addressing the high prices of drugs covered under Medicare Part B as voted on during the April 2023 meeting. As written, the recommendation calls to keep the 6% add-on for the lowest-cost drugs, reduce the add-on payment for the mid-to-high-level drugs and add a fixed fee, and capping the payment for the costliest drugs. While we support efforts to rein in the cost of prescription drugs to patients and the U.S. as a payor, we firmly believe that this policy recommendation will jeopardize provider practices and patients' health by reducing as opposed to expanding access to life-changing provider-administered therapies.

Rheumatologists and rheumatology healthcare professionals provide specialized care for Medicare beneficiaries with complex chronic and acute autoimmune and inflammatory conditions that can be difficult to diagnose, treat, and keep medically stable. Conditions our members treat, like rheumatoid arthritis and other forms of inflammatory arthritis, vasculitis, systemic lupus erythematosus, and other debilitating diseases, require early and appropriate treatment by rheumatologists and rheumatology professionals who are specially trained to control disease activity, and prevent or slow disease progression, improve patient outcomes, and reduce the need for costly surgical or interventional procedures. Improved outcomes that enable our patients to lead fulfilling lives and continue to be productive often require regular treatments to allow for this quality of life.

The ACR has long supported effective policies to make prescription treatments more affordable for our patients. Rheumatology patients often rely on powerful medications to overcome physical limitations that can significantly reduce their quality of life and even render them immobile without treatment. However, the current policy recommendation on "financial incentives associated with Part B drug add-on payments" will not only not curb the cost of drugs but will

jeopardize the financial stability of providers. Rheumatologists do not administer these life-altering treatments for financial gain. Instead, they administer these effective treatments to improve their patient's quality of life. Administering medications in the office requires rheumatologists to buy the product in bulk, maintain full-time staff to administer the treatment, then bill Medicare when the treatment is administered. The add-on reimbursement of six percent of Average Sales Price (ASP) does not incentivize rheumatologists to select the most expensive treatment to receive higher reimbursement. Instead, the six percent provides for offsetting costs related to the acquisition and administration of the treatment.

During the discussions on this policy recommendation, the Commission asserted that providers prescribe and administer the highest-priced medications to receive higher reimbursement. The ACR firmly rejects this premise. Rheumatologists prescribe the most appropriate treatment for patients and do so without consideration for their reimbursement. Once patients progress to the point of requiring a biologic therapy to control their disease, our members do not have "cheaper" options, as the price points of these various therapies are all strikingly similar. By drastically cutting the add-on payments on these life-altering medications, providers will be forced to decide not to offer the best therapies for their patients because the financial burden of acquiring and administering these needed therapies is too significant.

The ACR supports the Commission's work to ensure the financial stability of the Medicare program; however, the notion that providers prescribe medications based on financial considerations is misguided and will negatively impact the delivery of care and patient's access to treatments as their providers may be forced to forgo administering medications. We welcome the opportunity to be a resource to the Commission on the implications of this policy on providers and patients. Please contact Amanda Grimm Wiegrefe, MScHSRA, Director of Regulatory Affairs, with any questions or clarifications.

Sincerely,



Christina Downey, MD
Chair, Government Affairs Committee



Marcus Snow, MD
Chair, Committee on Rheumatologic Care