

Republican Letter

April 22, 2016

The Honorable Andy Slavitt  
Acting Administrator  
Centers for Medicare and Medicaid Services  
U.S. Department of Health and Human Services  
7500 Security Boulevard  
Baltimore, MD 21244

Dear Acting Administrator Slavitt:

We write to express our deep concerns regarding the Centers for Medicare & Medicaid Services (CMS) "Part B Drug Payment Model" proposed rule, published in the *Federal Register* on March 11, 2016. CMS' proposed Medicare drug experiment would unnecessarily disrupt care for the sickest seniors who depend on Medicare, including those with cancer, macular degeneration, rheumatoid arthritis, neurological disorders, and primary immunodeficiency diseases. Given these concerns outlined here, we ask that CMS withdraw this proposed rule that could endanger access to care for America's most vulnerable seniors.

CMS's proposed Medicare experiment would impose cuts in Phase I that will severely harm patient access to needed drugs. Under the CMS' Medicare drug experiment, numerous physicians would face acquisition costs that exceed the Medicare payment amount for certain drugs. This policy will make it harder for patients to receive the drugs they need and especially hurt seniors who depend on doctors in smaller practices or those who live in rural areas.

The scope of the proposed experiment on drugs for seniors is also deeply troubling. CMS proposes forcing nearly 75% of the country to participate in the Medicare drug experiment. The impact on patients will be sweeping and affect seniors across the country.

CMS' proposed Medicare drug experiment would also lead physicians to refer patients to the hospital outpatient department (HOPD). Driving more care to an often less convenient, more costly setting makes it more challenging for beneficiaries to access needed care and increases overall Medicare costs. This will lead to further consolidation and less choice for seniors.

The policies in the proposed Part B model were developed with no input from outside experts and those with real-world experience. CMS should have consulted with affected stakeholders considering the proposal's broad scope and implication for beneficiaries.

We are concerned with the proposed model will hinder physician efforts to participate in delivery and payment reforms, including the Oncology Care Model (OCM) and the various alternative payment models (APMs) incentivized by the bipartisan Medicare Access and CHIP Reauthorization Act of 2015 (MACRA). OCM practices have voluntarily engaged to make changes aimed at bringing more value through a model that CMS established in close consultation with stakeholders. Layering cuts on top of sweeping systematic changes will hurt efforts at payment reform in Medicare.

We are also concerned that the proposal fails to state how CMS will assess the impact on the quality of care beneficiaries receive. The proposal states an expectation that the model will reduce Part B drug spending while maintaining the quality of care beneficiaries receive, yet it does not provide the specifics of how access and quality will be assessed throughout the duration of the model or in the evaluation phase. Understanding the quality metrics used to determine whether there are acute problems or what constitutes the ultimate success of the model is a critically important. Yet CMS failed to address in their proposed rule.

This experiment affects all our constituents, Democrat or Republican, and we believe that Congress, whose responsibility is to the electorate, is best tasked with making these decisions, not an unaccountable entity. Every American should have their voices heard rather than be silenced by Washington politics.

Given the numerous concerns regarding this rule and the impact it will have on Medicare seniors' access to lifesaving drugs, we again urge that CMS withdraw this proposed regulation.

Sincerely,

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TOM PRICE, M.D.  
U.S. House of Representatives

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JOHN SHIMKUS  
U.S. House of Representatives

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CHARLES BOUSTANY JR, M.D.  
U.S. House of Representatives