

October 7, 2011

The Honorable Patty Murray
Co-Chair
Joint Committee on Deficit Reduction
Washington, D.C. 20510

The Honorable Jeb Hensarling
Co-Chair
Joint Committee on Deficit Reduction
Washington, D.C. 20510

Dear Senator Murray and Congressman Hensarling:

On behalf of the undersigned patient advocacy organizations, we encourage you to oppose proposals that would reduce Medicare payments for providers of drugs and biologics under Medicare Part B. Any such reduction would impact the ability of patients to access quality health care in their communities. Patients and families dealing with devastating illnesses already face financial and emotional burdens. Enacting policies which threaten the ability of community providers to treat such patients in high quality settings close to their homes will only compound these burdens.

We understand one proposal under consideration would find budgetary savings through lowering the Average Sales Price reimbursement methodology under Medicare Part B. The current "ASP + 6%" reimbursement rate has worked to lower Medicare Part B costs since enactment. But, as MedPAC has reported, even under current law "there are some drugs [physicians] cannot purchase at the payment rate." We are very concerned that reducing Part B reimbursement to a lower percentage will exacerbate this situation, thus increasing the likelihood that physicians will stop providing these therapies in their communities. Of course, if physicians decide no longer to provide such treatments, it is the patients who will ultimately suffer the most.

Additionally, any such short-term budgetary savings associated with cutting Part B reimbursement rates could prove illusory. Should some physicians decide to no longer provide these treatments because they can no longer purchase these therapies at the payment rate, patients will be forced to seek care elsewhere. Many may turn to more costly sites-of-service to receive their treatments and cures. Further, restrictions on access to these treatments may increase costs to the federal government due to unplanned emergency medical treatments.

We urge you to maintain current reimbursement for Medicare Part B treatments and cures. We understand the pressures you face in creating a needed deficit reduction package; however, we believe we must achieve necessary budget savings without restricting patient access to medically-necessary therapies and choosing policy options which may ultimately increase federal spending in the long-term.

Sincerely,

Alliance for Aging Research
Alliance for Patient Access
Alliance for Regenerative Medicine
American Autoimmune Related Diseases Association
American Urological Association
American Urological Association Foundation
Annie Appleseed Project
Carcinoid Cancer Awareness Network
Celiac Disease Center at Columbia University
Colon Cancer Alliance
ColonTown
Community Access National Network
Community Health Charities of America
Digestive Disease National Coalition
HealthHIV
International Cancer Advocacy Network (ICAN)
Kidney Cancer Association
Klippel Trenaunay Support Group
The Leukemia & Lymphoma Society
Lung Cancer Alliance
Marathon of Miracles
Multiple Myeloma Research Foundation
Muscular Dystrophy Association
National Fabry Disease Foundation (NFDF)
National Gaucher Foundation
National Kidney Foundation
National MPS Society
Patient Services Incorporated
Prevent Cancer Foundation
Pulmonary Hypertension Association
RARE Project
RetireSafe
Sarcoma Alliance
Suicide Awareness Voices of Education
Tuberous Sclerosis Alliance
Vital Options International
Yes! Beat Liver Tumors
ZERO - The Project to End Prostate Cancer