# **DOCTORS** FOR AMERICA

1333 H Street NW, 10<sup>th</sup> Floor Washington, DC 20005 (202) 481-8219 www.drsforamerica.org

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## Statement from Doctors for America in Support of CMS part B demo

As physicians and medical students advocating for an affordable and sustainable system of drug pricing for our patients, we support the proposal by the CMS to test a sensible set of models aimed at changing how CMS pays for medications under Medicare Part B. We need to ensure that essential treatments are available for all of our patients. The unwillingness to sensibly limit the prices of specialty drugs threatens access and affordability to the majority of patients. It is heartbreaking to see our patients struggle to choose between medications and rent as their out of pocket costs grow.

Reforms are vital to align the prices of prescription drugs with their efficacy and the value that they provide for patients. We believe that the CMS proposals aim to place quality and value at the center of the shared decisions we make in partnership with our patients and ultimately have the potential to safeguard affordability of the medications delivered under Medicare Part B. Testing a variety of reforms and initiatives as pilot projects will enable us to obtain vital information on which types of reforms will best achieve these goals.

We believe that all of the six alternative models proposed by CMS to address drug prices under Medicare Part B are worthy of consideration. Full testing of these alternative payment models, including the systematic comparison of their effects on patients as well as physicians, will enable us - physicians, medical students, advocates, policy experts, and the patients for whom we care - to make an educated choice for the best path forward toward making our healthcare system work better for all.

There may be multiple ways to improve these proposed models to further align incentives and ensure that physicians who rely on reimbursement under Part B are treated fairly. As an example, slight modifications have been proposed (during Public Comment and elsewhere) to the CMS phase one payment model. This model tests reallocating, not cutting, payments to physicians through the change from ASP + 6% to ASP + 2.5% + flat fee payment of \$16.80 per drug per day, which we believe is a rational approach to limit incentives for prescribing highly-priced drugs when less expensive options may be available. However, it is an unfortunate reality that the financial wellbeing of many specialty physicians - community oncologists, rheumatologists, orthopedists, and those of other similar specialties are too often dependent on the reimbursements they receive for

Doctors for America is a 501(c)(3) national movement of physicians and medical students working together to improve the health of the nation and to ensure that everyone has access to affordable, high-quality health care.

prescribing drugs. We want to ensure that these specialists do not bear an undue burden for cost savings and can remain financially solvent for the sake of these physicians and their patients, and thus this may be an area where a modification ought to be considered. In particular, we point to the analysis done by Peter Bach MD, Director of Memorial Sloan Kettering's Center for Health Policy and Outcomes, which calls for raising the flat rate to \$24.43 per treatment without sequestration, or \$23.74 per treatment under sequestration.

With the needs for conversation, flexibility, foresight, and potential modifications in mind, we are confident that the pilot testing of these models can be successful and will yield important information on how we can best achieve a system of affordable prescription drugs moving forward. We believe the proposed CMS part B demos should move forward, and should be improved with input from all stakeholders and then implemented and tracked for outcomes throughout the process. However, these demos do not negate the responsibility of Congress to address pharmaceutical companies pricing policies. Addressing prescription prices should be a priority to maintain patient access to affordable treatments.

About the Doctors for America Drug Pricing & Value Campaign

Through the Drug Pricing and Value Campaign and other initiatives, Doctors for America is committed to speaking on behalf of our membership of more than 18,000 physicians and medical trainees and to advocating for our patients in discussions surrounding prescription drug pricing, value, affordability, and sustainability of the healthcare system.