

March 3, 2021

Dear Georgia Congressional Delegation:

We write to raise concerns about two proposed regulatory changes that would have a negative impact on Medicare beneficiaries.

In January, changes were announced to the Part D Payment Modernization Model by the Trump administration which result in significant changes to Medicare prescription drug coverage beginning in 2022. These changes will harm some of the country's sickest patients, making it harder for them to access the medications they need to manage their health and also doing nothing to lower their out-of-pocket costs.

The protections that were removed are for drugs in the six protected classes. These drug classes are protected because patients dependent on these medications typically have some of the most complex conditions, including HIV/AIDS, mental health issues, and seizure disorders. The protections ensure these patients have affordable access to the medications they need to maintain personalized and effective treatments.

Currently, the requirement in Part D for the six protected classes is that all drugs included in the six protected classes are covered on the plans' Part D formularies. With these changes, five of the six protected classes will be considered the same as other Part D classes (the only exception is HIV/AIDS which will be removed in 2023). Any plan that participates in this CMMI model would be allowed to only offer one drug on the formulary in each of these classes which is even more of a reduction from the current standard of two drugs per class throughout Part D. These conditions are very complex to manage, and a one-sized-fits-all approach won't effectively treat these conditions.

In addition to being especially harmful to some of the country's most vulnerable patients, it will increase the burden physicians face to address conditions that are already difficult to treat. Physicians will have their hands tied because of limited treatment options and potential delays to treatment plans. Currently to treat these patients, physicians must try multiple drugs before settling on a single treatment, making the availability of multiple drug options necessary.

Secondly, the Rebate Rule proposal was finalized by HHS on November 20, 2020. However, there has been a delay in implementing it, which is also harming patients. This regulation benefits patients directly by changing the incentives in the current health care environment that pharmacy benefit managers (PBMs) are able to use to drive up list prices. Point-of sale discounts will lower out-of-pocket costs for patients that rely on prescription medicines that have high prices and high rebates. HHS estimated that patients would save nearly 30% based on the nearly \$40 billion in Part D rebates from last year.

On behalf of the vulnerable patients that will encounter barriers to quality health care due to the changes in the Part D Payment Modernization Model, we ask you to stand with patients and encourage the Biden administration to rescind this model immediately. Additionally, we urge you to ask the Biden administration to implement the Rebate Rule so that patients can

lower their out-of-pocket costs. Both of these are critical to the health of patients especially in the midst of a pandemic. Thank you for your attention to this matter.

Sincerely,



Advocates for
Responsible Care

