

February 25, 2021

The Honorable Xavier Becerra Secretary-designate U.S. Department of Health and Human Services 200 Independence Ave, S.W. Washington, D.C. 20201

Dear Secretary-designee Becerra:

The following organizations are writing to express our opposition to a proposal announced on the Trump Administration's final day in office through the Centers for Medicare and Medicaid Services (CMS) that would undermine key patient protections in Medicare's prescription drug program. Namely, on January 19, 2021, the Center for Medicare and Medicaid Innovation (CMMI) announced the opportunity for new "formulary flexibilities" for Medicare Part D plans that participate in its Part D Payment Modernization (PDM) Model. Under the proposal, participating plans can choose to limit the drugs they cover, including denying patient access to medications used to manage complex conditions such as cancer, mental illness, HIV/AIDS, epilepsy, Parkinson's, and organ transplantation.

On behalf of the patients who we serve in our various communities, we call upon the Biden Administration to exercise its authority to immediately eliminate this policy proposal, which would undermine the protected classes policy, either via the so-called midnight rule moratorium, or the authority provided within the model to change its criteria or eliminate it entirely at any time. The protected classes policy has been a cornerstone of Part D's success: helping to ensure that Part D formularies serve the needs of all Medicare beneficiaries, including the most vulnerable patients with the greatest need for drug coverage. This has made Part D an integral part of Medicare by making plans compete based on quality and efficiency instead of seeking to reduce costs by driving away people with serious illnesses.

Our groups represent a broad, diverse coalition of health care stakeholders, patient advocates, and health care professionals committed to maintaining access to critically important medications under Medicare Part D — especially the categories and classes of drugs identified for unique patient protections in section 1860D-4(b)(3)(G)(iv) (the protected classes). These medications are vital, and often are not interchangeable, to the treatment of certain complex chronic conditions. For years, our organizations have collaborated to combat efforts to undermine consumer access to appropriate treatment by increasing policymaker awareness of the vulnerability of patients with these conditions and the potential impact of delayed or denied care.

The Trump Administration's formulary flexibility proposal is contrary to bipartisan congressional consensus, as expressed numerous times in recent years, and undermines long-standing and congressionally directed protections that guarantee access to life-saving drugs for patients with the most severe health conditions. Indeed, Congress has repeatedly expressed strong bipartisan support for the protected classes policy and has chosen to strengthen, rather than weaken it, over time. In a Senate colloquy just before the enactment of the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (MMA), Senators repeatedly emphasized the role of protections, including the protected classes, available to beneficiaries who need "exactly the right medicine for them."¹

Congress reaffirmed the importance of the original protected classes in Section 3307 the Affordable Care Act (ACA), which codified in law the six protected classes and categories by name, and expanded coverage to include "all" drugs within these six classes. Additionally, every Member of the <u>Senate Finance Committee</u> opposed CMS' 2014 proposed rescission of protected-class protections, echoed in a separate letter from <u>50 Members</u> of the House Energy and Commerce and the Ways and Means Committees. More recently, in 2019, the Trump Administration attempted to roll back these important patient protections and were again rebuffed with significant opposition from Congress. Indeed, Secretary Azar was repeatedly challenged about the merits of this proposal both through several congressional letters as well as during his appearances before Congress. Ultimately, the policy suggesting changes to the six protected classes was withdrawn.

In addition to its obviously deleterious impact on patients' health, we think it is self-evident that the Trump administration's most recent proposal is short-sighted with respect to the effect on costs. Any potential savings CMS might realize from allowing plans to severely restrict access to drugs in the protected classes would be countered by increases in costs in other areas of Medicare and lead to undesirable patient outcomes. As The Pew Charitable Trusts concluded in a recent report, "Lack of adequate access to medications can in some circumstances increase costs to other Medicare programs through increased hospitalizations from complications or increased physician visits to manage medications."² Further, a study performed by researchers at Northwestern University and the University of Texas found that in covering drugs less generously, Part D plans end up costing traditional Medicare \$475 million per year.³ Finally, it is clear that the Trump administration's most recent proposal was issued in a rush and without any meaningful patient or stakeholder input. Accordingly, we implore you to reverse this policy immediately.

¹ 149 Cong. Rec. S5887-88.

² The Pew Charitable Trusts (2018). *Policy Proposal: Revising Medicare's Protected Classes Policy*. Access February 9, 2021: <u>https://www.pewtrusts.org/-</u>

[/]media/assets/2018/03/dsri_policy_proposal_revising_medicares_protected_classes_policy.pdf

³ Amanda Starc, Kellogg School of Management, Northwestern University, and NBER Robert J. Town, University of Texas - Austin and NBER (2016). *Externalities and Benefit Design in Health Insurance*

Please do not hesitate to contact Chuck Ingoglia, President and CEO of the National Council for Behavioral Health, who serves as executive director of the Partnership for Part D Access, and is this letter's lead signatory, if you have any questions regarding these comments or attachments or if he can provide additional information.

Signed on behalf of the following organizations,

The National Council for Behavioral Health ACCSES - The Voice of Disability Service Providers ADAP Advocacy Association **AIDS** Alabama AIDS Alliance for Women, Infants, Children, Youth & Families AIDS Foundation Chicago AIDS United Alliance for Aging Research American Academy of Family Physicians American Academy of Neurology American Association for Psychoanalysis in Clinical Social Work American Association on Health and Disability American Autoimmune Related Diseases Association American Brain Coalition American Cancer Society Cancer Action Network, Inc American Kidney Fund American Society of Consultant Pharmacists American Society of Transplant Surgeons Association for Ambulatory Behavioral Healthcare Brain Injury Association of America Cancer Support Community Cancer Care **Charlie Foundation** Child Neurology Foundation Chronic Care Policy Alliance College of Psychiatric and Neurologic Pharmacists Community Access National Network Danny Did Foundation Depression and Bipolar Support Alliance Dravet Syndrome Foundation **Epilepsy Foundation Epilepsy Foundation Alabama** Epilepsy Foundation Alaska **Epilepsy Foundation Arizona Epilepsy Foundation Arkansas** Epilepsy Foundation Central & South Texas Epilepsy Foundation of Colorado Epilepsy Foundation of Delaware Epilepsy Foundation of East Tennessee Epilepsy Foundation Florida **Epilepsy Foundation of Greater Chicago** Epilepsy Foundation of Greater Southern Illinois Epilepsy Foundation of Hawaii **Epilepsy Foundation Indiana**

Epilepsy Foundation Iowa Epilepsy Foundation of Long Island **Epilepsy Foundation Louisiana** Epilepsy Foundation Maryland Epilepsy Foundation Metro D.C. Epilepsy Foundation of Michigan Epilepsy Foundation Mississippi Epilepsy Foundation of Minnesota **Epilepsy Foundation Montana** Epilepsy Foundation Nebraska **Epilepsy Foundation Nevada** Epilepsy Foundation New Jersey Epilepsy Foundation New Mexico **Epilepsy Foundation North Carolina Epilepsy Foundation North Dakota** Epilepsy Foundation of Northeastern New York **Epilepsy Foundation Ohio** Epilepsy Foundation Oklahoma Epilepsy Foundation Orange County and Riverside **Epilepsy Foundation Oregon** Epilepsy Foundation of San Diego County **Epilepsy Foundation South Carolina Epilepsy Foundation South Dakota** Epilepsy Foundation Texas - Houston/Dallas-Fort Worth/West Texas **Epilepsy Foundation Utah** Epilepsy Foundation of Vermont Epilepsy Foundation of Virginia Epilepsy Foundation Washington Epilepsy Foundation West Virginia **Epilepsy Foundation Wyoming Epilepsy Leadership Council** Families for Depression Awareness Georgia AIDS Coalition Global Liver Institute Health Hats Hepatitis C Mentor & Support Group, Inc. HIV+Hepatitis Policy Institute Hope for the Day Hope for ULD Illinois Psychiatric Society International Foundation for Autoimmune & Autoinflammatory Arthritis International OCD Foundation International Society for Psychiatric Mental Health Nurse Iowa Association of Community Providers

Iowa Behavioral Health Association Lakeshore Foundation Lennon-Gastaut Syndrome (LGS) Foundation Leukemia & Lymphoma Society Lupus and Allied Diseases Association, Inc Lupus Foundation of America Medical Oncology Association of Southern California Medicare Rights Center Mental Health America Mental Health America of California Mental Health America of Illinois Mental Health America of Ohio Mental Health Association in Michigan Mental Health Association in NYS. Inc. Mental Health Summit Michael J. Fox Foundation for Parkinson's Research National Alliance of State & Territorial AIDS Directors National Alliance on Mental Illness National Alliance on Mental Illness - NYS National Alliance on Mental Illness Chicago National Alliance on Mental Illness Illinois National Alliance on Mental Illness Mass National Alliance on Mental Illness Metro Suburban National Alliance on Mental Illness of NYC National Association for Rural Mental Health National Association of Behavioral Health and **Developmental Disability Directors**

National Association of Nutrition and Aging Services Programs National Association of Social Workers National Kidney Foundation National Register of Health Service Psychologists New Jersey Association of Mental Health and Addiction Agencies **Oncology State Societies at ACCC** Phelan-McDermid Syndrome Foundation Psychiatric Physicians Alliance of California Ring14 USA Schizophrenia and Related Disorders Alliance of America STXBP1 Foundation The AIDS Institute The Coelho Center for Disability Law, Policy & Innovation The Kennedy Forum The Multiple Sclerosis Foundation Tourette Association of America Transplant Recipients International Organization (TRIO) TRIO - Oklahoma TRIO - Manhattan Chapter Transplant Support Organization Tuberous Sclerosis Alliance Whitman-Walker Institute Wishes for Elliott/DEE-P Connections

CC: Liz Richter, Acting Administrator, Centers for Medicare and Medicaid Services