



Infusion Providers Alliance Responds to Most Favored Nation Drug Policy

Alliance is Leading Voice for In-Office and Freestanding Ambulatory Infusion Providers, Representing More Than 750 Community Based Provider Clinics Nationwide

The Infusion Providers Alliance (IPA) responded in opposition today to a new Most Favored Nation (MFN) rule announced by the Center for Medicare & Medicaid Services (CMS). The MFN rule will dramatically restrict access to infused medications and will harm providers who are already reeling from the effects of the COVID-19 pandemic. The effects of this rule, particularly in the middle of a nationwide pandemic, will be seriously detrimental to the nation's healthcare system. CMS has fast-tracked the policy before hearing from providers and patients who will be affected by it. A nationwide "demonstration project" is set to go into effect on January 1, 2020 which is 20 days before the rule's required comment period even closes.

This rule would create a "most favored nation" drug pricing system in Medicare. Under this rule, the Secretary of Health and Human Services (HHS) shall create a demonstration program through which Medicare would pay no more money for a drug than the lowest price in countries in the Organization for Economic Cooperation and Development (OECD). By doing so, this would dramatically cut Medicare reimbursement to infusion providers and put ability to obtain medications for patients at serious risk. In some cases, providers will be unable to procure medications they need to treat their patients because they will be required to do so at a cost that is more than their reimbursement.

"I am perplexed and disappointed that the Trump Administration would initiate such a dramatic change to pharmaceutical reimbursement in the midst of a pandemic that still poses very serious challenges for our providers and their patients," said Doug Ghertner, President of IPA. "The new rule will not only result in substantial payment cuts for providers and facilities treating patients with rare and complex health conditions, but even more troubling, it states that there will be 19% lower utilization due to **no access** for patients."

Moreover, as providers are unable to sustain providing infusions at a loss, patients are more likely to be forced into the hospital setting of care for infusion treatments where costs are oftentimes two to three times that of the physician office or ambulatory infusion center.

Ghertner added, "A hospital is the last place an immunocompromised patient should be receiving care during a pandemic."

In addition, while the flat \$148.73 add-on payment may reflect the average add-on payment across Part B drugs in the model, it is not indicative of the average add-on payment many providers such as those in the IPA now receive if they administer a more limited and/or complex formulary.

The IPA strongly opposes the MFN model and is eager to work with policymakers from both parties on solutions that will constrain pharmaceutical spending, without compromising quality of care or patient experience.