

The Honorable John Barrasso
United States Senate
Washington DC 20510

August 4, 2022

Dear Senator Barrasso:

The Infusion Providers Alliance, which represents over 1,000 infusion sites of care in 43 states, strongly supports your amendment to the Inflation Reduction Act that preserves the same amount of savings the bill authors seek to extract for the government and beneficiaries, but keeps providers and their patients from becoming collateral damage.

Under your amendment, rather than cutting provider reimbursement, Medicare would collect a rebate from manufacturers for its discount and base the patient's coinsurance off the lower, rebated price. Both the beneficiary and the Medicare program benefit equally while leaving the existing reimbursement structure in place to minimize disruption to patients. Avalere [estimates](#) that physicians and freestanding infusion centers will experience a 44% reduction in payments for Part B drugs if this bill is enacted without amendment.

Given that the rebate approach is consistent with existing manufacturer rebates used by Medicaid since OBRA 1990 and in the manner with which price increases that exceed inflation (CPI-U) are handled in the Inflation Reduction Act via a rebate mechanism, the Barrasso amendment builds upon a single, consistent and familiar approach as it looks to accomplish its ultimate goal of lowering drug costs. Most importantly, Congress can ensure that in the quest for greater drug savings, it does not inadvertently create a patient access issue.

"By treating our patients in the office rather than the hospital, we've saved Medicare and commercial payors millions of dollars," said Arizona infectious disease physician Clifford Martin, MD. "The drug pricing provisions of the Senate Reconciliation legislation would significantly cut our reimbursement, in some cases below cost, forcing us to refer our infusion patients to the higher cost local hospital. This will increase patient copays and cost taxpayers, insurers and employers far more money for less convenient and less efficient care."

Sincerely,



Doug Ghertner
President
Infusion Providers Alliance



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