Arthritis Foundation®

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June 4, 2019

The Honorable Richard Neal
Chairman
House Ways & Means Committee
2039 Rayburn House Office Building
Washington, DC 20515

The Honorable Frank Pallone
Chairman
House Energy & Commerce Committee
2017 Rayburn House Office Building
Washington, DC 20515

The Honorable Kevin Brady
Ranking Member
House Ways & Means Committee
1011 Longworth House Office Building
Washington, DC 20515

The Honorable Greg Walden
Ranking Member
House Energy & Commerce Committee
2185 Rayburn House Office Building
Washington, DC 20515

Dear Chairmen Neal and Pallone and Ranking Members Brady and Walden:

On behalf of the more than 54 million Americans and 300,000 children with doctor-diagnosed arthritis in the United States, the Arthritis Foundation is pleased to offer our support for the discussion draft focused on Medicare Part D, which would create an out of pocket maximum on prescription drug costs for beneficiaries based on the current catastrophic threshold.

An out of pocket cap for Medicare beneficiaries enrolled in Part D would result in meaningful relief for people with inflammatory forms of arthritis and other chronic diseases treated by specialty drugs. Over half of all Americans over the age of 65 have some form of arthritis, and the discussion draft is a strong step toward ensuring they are not unduly burdened by high out of pocket costs associated with managing their disease. Out of pocket costs for people with arthritis enrolled in Medicare Part D can be significant. A recent Kaiser Family Foundation study demonstrated that rheumatoid arthritis (RA) is the principal form of arthritis for which beneficiaries are most likely to reach the catastrophic phase of coverage. During the current plan year, median out of pocket costs for biologics used to treat RA exceed $5,000.

While a cap is an important element to control out of pocket costs, we also know that about 60 percent of beneficiaries taking specialty drugs for RA reach the catastrophic coverage threshold by the month of May. This means a majority of RA beneficiaries struggle with the disproportionate costs of their medications at the beginning of the plan year – often facing thousands of dollars in out of pocket costs in the first quarter alone – and subsequently are responsible for 5 percent of costs during the catastrophic phase until December. These sums are simply unaffordable for many beneficiaries with arthritis.

From the many patients we have spoken to about the Medicare program, we know that these high costs often lead to difficulties taking medications as prescribed, and in some cases, result in switching to a drug covered under Medicare Part B. We have myriad examples of patients who have suffered severe health consequences as a result of this type of switching. A key priority is to ensure patients who are stable on a medication are able to remain on that medication. To that end, we recommend incorporating a smoothing mechanism, which would allow patients to pay the cap over the entire plan year and continue to access medications they need without facing undue financial hardship.

Thank you for your leadership to limit beneficiaries' out of pocket spending on medicines they need to control their medical conditions. We look forward to working with you on this important issue. Please contact Vincent Pacileo, Director of Federal Affairs, at vpacileo@arthritis.org, if we can be of any assistance moving forward.

Sincerely,

Anna Hyde

Anna Hyde
Vice President, Advocacy and Access
Arthritis Foundation