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The Honorable Richard E. Neal Chair

Ways and Means Committee U.S. House of Representatives Washington, D.C. 20515

The Honorable Kevin Brady Ranking Member Ways and Means Committee U.S. House of Representatives The Honorable Frank Pallone, Jr. Chair Energy and Commerce Committee

Energy and Commerce Committee U.S. House of Representatives Washington, D.C. 20515

The Honorable Greg Walden Ranking Member Energy and Commerce Committee U.S. House of Representatives

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

The American Society of Clinical Oncology (ASCO) is pleased to submit a response to the Committees' solicitation for comments on draft legislation to reform and improve the Medicare Part D program. As out of pocket costs continue to be a concern for patients with cancer and their providers, ASCO applauds the Ways and Means Committee and the Energy and Commerce Committee for making this issue a priority.

ASCO is the national organization representing more than 45,000 physicians and other health care professionals specializing in cancer treatment, diagnosis, and prevention. We are committed to ensuring that evidence-based practices for the treatment of cancer are available to all Americans, including older Americans.

Improvements should the Committees consider with respect to low-tomoderate income Part D beneficiaries and out-of-pocket costs below the catastrophic level

ASCO supports the Committees' goals in reducing out of pocket spending in Part D but does not currently have any technical recommendations related to redesigning the Part D benefit. Given the Committees' interest in out of pocket spending, and issues impacting low-to-moderate income Part D beneficiaries, and out of pocket costs below the catastrophic level, ASCO offers the following:

## Creating A Cap on Out of Pocket Costs for Beneficiaries in Medicare Part D

ASCO shares the Committees' concern about the increasing out of pocket costs that patients within the Medicare program face. Financial toxicity is a real issue for patients with cancer. It can add significant stress for a patient battling cancer and increase a patient's likelihood to abandon treatment or become noncompliant with his or her treatment plan. A 2018 study titled "Financial Toxicity in Adults with Cancer: Adverse Outcomes and Noncompliance" published in the Journal of Oncology Practice revealed that patients with cancer who were identified as reporting financial toxicity were less likely to fill their medications, attend office visits, and undergo recommended medical tests.

ASCO strongly supports proposals that reduce out of pocket costs for patients with cancer, including Medicare beneficiaries who are particularly vulnerable to the financial issues associated with rising out of pocket health care costs. While traditionally many anti-cancer therapies were physician-administered and primarily offered through in Part B settings, medical advances have resulted in cancer care moving steadily toward anti-cancer treatments that are taken orally or self-administered at home, and now fall under Medicare Part D. Proposals that place a cap on the out of pocket costs for Medicare beneficiaries in Part D will directly help reduce the final toxicity issues impacting older patients with cancer.

## Reducing Out of Pocket Costs for Self-Administered Anti-Cancer Treatments

The increased availability of self-administered medications to treat individuals with cancer has enabled patients to undergo treatment outside of a hospital or doctor's office, can provide significant clinical advantages over more traditional IV treatments, and in certain cases may represent the only or best treatment option for a patient. Unfortunately, cost-sharing differences associated with "medical benefits" and "prescription drug benefits" have caused tremendous financial strain on both beneficiaries of Medicare with cancer and patients with cancer utilizing other forms of insurance. Many health insurance plans impose significantly higher cost-sharing requirements on patients for oral cancer therapies (prescription drug benefit) than for traditional infusion cancer drugs that are delivered intravenously (medical benefit). The *Cancer Drug Coverage Parity Act*, led by Representatives Doris Matsui, Brian Higgins, Brett Guthrie, and Gus Bilirakis, takes the first step in addressing this issue for plans that fall under ERISA. ASCO strongly supports the *Cancer Drug Parity Act* and similar measures that would create this issue for patients in Medicare as well.

## Reducing Unnecessary Costs Caused by Utilization Management Techniques

Step therapy and other utilization management policies also impact out of pocket costs for patients with cancer and are increasingly impacting Medicare Advantage Beneficiaries. Step therapy is a utilization management tool that requires patients to try and fail medications chosen by a payer, before the payer will cover the medication originally prescribed by their health care provider. Patients must demonstrate that the payer-

preferred drug has been unsuccessful in treating their condition with favorable results before they are able to access the physician recommended drug.

Step therapy protocols not only jeopardize patient health and create barriers to patient access to care, but they also force patients to pay out of pocket costs for extra medications before they even access the treatment their provider believes is best for them. Additional out of pocket costs could also result from hospital or additional office visits to address side effects resulting from using an inappropriate payer-preferred drug. The <u>Safe Step Act</u> led by Representatives Ben Ray Lujan and Gus Bilirakis, creates important guardrails in place to protect patients who have health plans that fall under ERISA. ASCO strongly supports the <u>Safe Step Act</u> and encourages Congress and CMS to work together to create the same guardrails for the Medicare Advantage beneficiaries.

Additionally, ASCO is very concerned with the current practice of moving vital medications, especially those relevant to cancer treatment, into "special tiers" which require patients to pay a higher percentage of the cost of the drug out of pocket than for generic or preferred-brand drugs. The imposition of high cost-sharing requirements is increasingly becoming a barrier for cancer patients and costing patients in hundreds, sometimes thousands, of dollars each month for a single medication. *The Patients' Access to Treatment Act,* which we expect to be re-introduced in this Congress, would protect patients with cancer from excessive cost sharing requirements and reduce barriers for patient access to treatment. ASCO believes that the choice of the appropriate medication for a patient with a cancer diagnosis should be determined by the patients and their provider, ASCO strongly supports proposals like these which prevent coinsurance practices from obstructing patient access.

Thank you for your committee's commitment to reducing out of pocking costs within the Medicare program. If you have any questions involving the care of individuals with cancer, please contact Tyler Hanson at <a href="mailto:Tyler-Hanson@asco.org">Tyler-Hanson@asco.org</a>.

Sincerely,

Howard A. "Skip" Burris III, MD, FACP, FASCO President, American Society of Clinical Oncology

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