

March 16, 2022

The Honorable Ronald Wyden Chairman, Senate Committee on Finance 221 Dirksen Senate Office Building Washington, D.C., 20510 The Honorable Michael Crapo Ranking Member, Senate Committee on Finance 239 Dirksen Senate Office Building Washington, D.C., 20510

## **RE: "Prescription Drug Price Inflation: An Urgent Need to Lower Drug Prices in Medicare"** Hearing – ACCC Statement for the Record

Dear Senators Wyden and Crapo,

On behalf of our member cancer programs and practices, the Association of Community Cancer Centers (ACCC) would like to thank the Senate Finance Committee for holding this hearing on "Prescription Drug Price Inflation: An Urgent Need to Lower Drug Prices in Medicare". In considering legislation to reduce out-of-pocket prescription drug costs for Medicare beneficiaries, it is important for the Committee to consider the cancer care provider perspective, and we appreciate the opportunity to submit the following statement for the record.

ACCC is the leading education and advocacy organization for our nation's cancer care community, representing a network of 28,000 multidisciplinary practitioners from 2,100 hospitals and practices nationwide. The diversity of our membership uniquely positions ACCC to effectively engage with policymakers about the need for reforms to reduce out-of-pocket costs for prescription drugs and drugs administered in both academic and community-based oncology practices, clinics, and hospitals.

ACCC supports the goal of reducing the cost of prescription drugs for Medicare beneficiaries. However, we are concerned that the "maximum fair price" standard proposed for achieving cost savings in the Build Back Better Act (BBBA) would negatively impact reimbursement for providers that administer drugs covered under Medicare Part B. We also fear this legislation would threaten the financial viability of cancer programs and practices across the country and reduce Medicare beneficiary access to crucial medications and treatments. We therefore request that the Committee pursue legislative solutions that hold providers harmless in the drug pricing negotiation between the federal government and drug manufacturers.

The current level of reimbursement for Medicare Part B drugs affords cancer care providers the necessary capital to fund crucial elements of a comprehensive cancer care program. This not only includes the cost of overhead, but the ability to invest in new and innovative technologies, patient care coordination and supportive care services, and adequate staffing structures for care delivery. By reducing reimbursement for Medicare Part B drugs, we believe that the drug pricing provisions of the BBBA would limit the ability of cancer programs to provide quality care to the diverse communities they serve.

Moreover, we are concerned that reductions in drug reimbursement outlined in the BBBA may worsen the financial challenges that many community cancer programs are already experiencing. Oncology programs and practices in smaller communities, rural areas, and areas of high Medicare penetration stand to be most severely affected by these reimbursement cuts. These community providers may be faced with the

difficult decision to reduce available treatment options and services or even close their doors as a result. This would create new access issues for Medicare beneficiaries, with a disproportionate effect on the poor, vulnerable, and people of color.

ACCC believes that the most effective treatment options should be available to patients at the lowest cost, and any proposed changes in reimbursement for drugs should promote health equity while maintaining the ability of cancer programs to provide necessary support services for potentially disadvantaged populations. Therefore, we are troubled by the drug pricing provisions of the BBBA because of their potential to exacerbate existing inequities in cancer care delivery.

For these reasons, we encourage the Committee to refine the drug pricing provisions of the BBBA to remove providers from the middle of proposed drug pricing negotiations between the federal government and drug manufacturers. The proposal to establish a new negotiated price would severely impact reimbursement for providers that administer the selected Part B drugs, with the largest and most immediate impact on providers that treat predominantly Medicare beneficiaries. This change in pricing structure would also impact commercial reimbursement in a way that unfairly penalizes providers.

As the voice of our nation's cancer care community, we strongly urge the Committee to consider the impacts of drug price negotiation on cancer care providers and their ability to provide high quality, equitable care to the patients they serve. If you have any questions, please contact Matt Devino at mdevino@accc-cancer.org or (301) 263-3510.

Respectfully,

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