



It's Not *All* About the ACA

BY LEAH RALPH

Summer headlines have been dominated by congressional efforts to repeal and replace portions of the Affordable Care Act (ACA) and find a politically palatable path forward to shoring up the nongroup insurance market. ACCC has strongly advocated against both the House-passed American Health Care Act (AHCA) and the current Senate proposal, the Better Care Reconciliation Act (BCRA) and advocated for health reform principles for cancer patients that include preserving access to comprehensive, affordable insurance coverage and critical protections that patients with pre-existing conditions such as cancer gained under the ACA. (At the time of writing, Congress is still wrestling with legislation that could meet these goals.)

However as stakeholders remain distracted by the politics and policy of health reform, efforts to make changes to the Medicare Part B program are flying under the radar. Reimbursement for Part B drugs remains a focus for policymakers, and patient and provider groups will need to remain vigilant in educating decision makers about the value of this program, particularly for cancer patients to continue to access life-saving treatments in their communities.


In June, the Medicare Payment Advisory Commission (MedPAC), an independent congressional agency that advises Congress on issues affecting the Medicare program, produced a series of recommendations on the Part B program that included making reductions to average sales price (ASP) reimbursement and creation of a voluntary Drug Value Program (DVP), a version of the

competitive drug acquisition program CMS implemented in 2006. Specifically, in addition to imposing a number of requirements on manufacturers to hold down ASP growth, MedPAC recommends reducing wholesale acquisition cost (WAC)-based payment to WAC plus 3%, requiring HHS to use a common billing code to pay for a reference biologic and its biosimilars, and reducing the ASP add-on in tandem with the implementation of a new voluntary alternative market-based program that would allow providers to use private vendors to negotiate drug prices with manufacturers in the Medicare program. Importantly, MedPAC recommendations are just that—recommendations—but Congress often looks to these reports when it needs policy ideas or budget savings to pay for other legislative efforts.

The Administration has been less direct—and predictable—about their agenda on drug pricing reform. President Trump recently circulated a draft executive order around drug pricing, which includes policies that look very different from earlier campaign trail talking points. An early draft suggests the order would largely reduce regulatory burden for the pharmaceutical industry, as well as address topics such as pharmacy benefit managers (PBMs), value-based pricing, and narrowing the 340B program. The President's 2018 budget also directs HHS to work with Congress to develop a legislative proposal to improve the 340B program's "integrity and ensure that the benefits...are used to benefit [low-income] patients," and we expect to see legislative efforts from Congress this fall

that will propose to tighten the 340B patient definition and redefine covered entity eligibility and requirements.

Last year ACCC joined hundreds of patient and provider groups to defeat the Obama Administration's misguided proposal to experiment with Part B payment rates across the country, otherwise known as the proposed Medicare Part B Drug Payment Model. We used real-world, de-identified data to show that most cancer programs, particularly smaller practices or practices in rural areas, would be devastated by the randomized cut being proposed and patient care would suffer—that such significant changes to payment structures could necessitate altering treatment plans that are currently working well for patients, creating unnecessary and potentially damaging gaps in care.

Through the noise of hyper-partisanship and on-going tensions surrounding ACA repeal, ACCC will continue that advocacy work this year, educating policymakers on the need for a collaborative, stakeholder-driven conversation about drug pricing and meaningful policy options for bringing down drug costs. In June, we joined over 250 organizations in sending a letter to Secretary Price opposing the recent MedPAC recommendations and reminding policymakers about the important role Medicare Part B plays in maintaining patient access to critical cancer therapies and services in your patients' communities. 

Leah Ralph is ACCC Director of Health Policy.