



Congress of the United States  
House of Representatives  
Washington, D.C. 20515

November 1, 2018

The Honorable Seema Verma  
Administrator  
Centers for Medicare & Medicaid Services  
Department of Health and Human Services  
200 Independence Avenue, SW, Room 445-G  
Washington, DC 20201

Dear Administrator Verma,

Thank you for your leadership and the efforts undertaken by the Centers for Medicare & Medicaid Services (CMS) to bring increased competition into the Medicare program as part of your comprehensive effort to reduce costs for beneficiaries. As these efforts continue, I believe careful considerations must be taken in order to preserve important patient protections and the physician-patient decision-making process that is critical to our health care delivery system.

As part of the Administration's ongoing bipartisan engagement with Congress, I want to express my concern regarding the recent notification to Medicare Advantage (MA) plans that they will no longer be prohibited from utilizing step therapy protocols for Part B drugs. Given the potential impact on patient access and care, I believe CMS should pause on moving forward with this policy in 2019 and work through the appropriate channels to address the concerns outlined below.

MA plans need to have management tools to control drug utilization and manage overall costs, however, implementation of these tools must be balanced alongside important patient safeguards. A recent Office of Inspector General (OIG) report, which found that MA organizations overturned 75% of their own service and payment denials, suggests the proper balance has not been struck. Exacerbating the issue, OIG found beneficiaries and providers appealed only one percent of denied services or payment despite the high rate at which appeals succeeded.

These concerns are amplified due to the serious nature of the conditions that are treated by Part B medicines and the special attention that is required to ensure clinical decisions remain focused on the specific needs of each individual patient. Medicare beneficiaries receiving Part B covered drugs include some of the most vulnerable in the program, including those with cancer, Crohn's disease, progressive blinding eye diseases, compromised immune systems, hemophilia, and ESRD, among others. For many patients suffering from complex, life-threatening diseases, step therapy can lead to a delay in getting the medicines they need, potentially resulting in irreversible disease progression, complications, or hospitalizations, as well as increased costs for Medicare and its beneficiaries.

Given these concerns, I urge the Administration to not move forward with the proposed step therapy policy without adopting corresponding measures to ensure it adequately protects patient access and does not interfere with the physician-patient decision-making process. Additionally, I would urge CMS to implement rigorous oversight regarding MA plans step therapy requirements and how these new policies are communicated to patients.

Cost containment in our government health care programs is an important goal and I commend you for your commitment to drive change. I look forward to working with you, the Administration, and other stakeholders through this process as we enact meaningful policies in pursuit of this goal while preserving important patient protections that ensure each Medicare beneficiary maintains access to the clinical treatments that fit their individual needs.

Sincerely,



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George Holding  
Member of Congress