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ACAAI Annual Scientific Meeting

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April 10, 2020

Via email: <a>Seema.Verma@cms.hhs.gov

The Honorable Seema Verma Administrator Centers for Medicare and Medicaid Services U.S. Department of Health and Human Services 200 Independence Avenue SW Washington, DC 20201

Dear Administrator Verma:

The American College of Allergy, Asthma & Immunology, together with the undersigned organizations, write to ask your urgent help in ensuring that our Medicare patients with severe asthma or immune-deficiency diseases can continue to receive life-saving injections of biologics and intravenous immunoglobulin (IVIG) infusions without risking COVID-19 infection by having to go to hospital infusion centers for administration of these drugs. Our organization has received many calls from allergists/immunologists around the country who report that their elderly Medicare patients are asking if they can receive these medications in the allergist's office because they are afraid to go to the hospital for their injections or infusions.

Although these drugs are covered under Medicare Part B in the physician's office, the very high costs of these drugs and the limited Medicare reimbursement make it difficult, if not impossible, for many allergists, particularly those in small practices, to purchase these drugs. (For example, Fasenra, a biologic for severe asthma, costs close to \$5,000 per patient for the first month of treatment.) The difficulty of purchasing these expensive drugs is especially true right now as many practices are experiencing significant reductions in revenue and corresponding cash flow disruptions. In contrast, hospitals are able to leverage their substantially greater purchasing power as well as, in most cases, the 340B discount drug program, to purchase these drugs at substantially lower prices than those available to a physician practice.

Physicians have addressed this problem by arranging for their patients to receive these treatments at local hospital outpatient departments or infusion centers. However, because of the COVID-19 pandemic, these patients, all of whom are either immune-compromised or have severe asthma and compromised respiratory systems, understandably are very frightened of going to the hospital, even to the point of reports that many are forgoing treatment.

Currently, Medicare billing rules do not allow patients to buy these drugs from the hospital and bring them to the physician's office for administration.



Specifically, it is our understanding that physicians who administer Part B drugs must also provide and bill for those drugs. We ask that these rules be waived, during the public health emergency, to permit hospitals to send the patient's drugs to the patient's office, upon request from the patient, where they could be administered in the relative safety of the office environment. We also ask that any Medicare rules that would impede hospitals from billing Medicare Part B for drugs furnished to hospital outpatients where the administration is performed by the patient's prescribing physician be temporarily waived. We believe the agency has the legal authority to make these temporary modifications which are necessary so that patients can receive critical treatment for life-threatening conditions without increasing their risk of contracting COVID-19.

We are very concerned that if this issue is not immediately addressed, our most vulnerable patients will be faced with the painful choice of forgoing needed treatment or exposing themselves to increased risk of COVID-19 infection. We would be more than happy to discuss this with you or provide additional information. Please feel free to reach out to us by contacting Sue Grupe, Director of Advocacy Administration at <u>SueGrupe@acaai.org</u> or by calling 847-427-1200. A list of the relevant drugs is attached.

We thank you for all you are doing to help us to keep our patients safe during this challenging period.

Sincerely:

American College of Allergy, Asthma & Immunology Allergy and Asthma Foundation of America Allergy and Asthma Network American Academy of Allergy, Asthma and Immunology

Cc: Alex Azar, Secretary HHS Kim Brandt, CMS Deputy Administrator Eric Hargan, Deputy Secretary, HHS Jim Parker, HHS Senior Health Policy Advisor – HHS Secretary Nicholas.Uehleck, Senior Health Policy Advisor- HHS Secretary

List of Drugs

benralizumab (Fasenra) mepolizumab (Nucala) omalizumab (Xolair) reslizumab (Cinquair) Intravenous Immunoglobulin (IVIG)

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