



Thursday, March 7, 2019

Network Physicians Visit Capitol Hill to Advocate for Medicare Part B

Several Network physicians visited Capitol Hill on March 6 to meet with Congressional Members and staff on issues related to Medicare Part B drugs. [Read below.](#)

FDA Commissioner Scott Gottlieb to Resign

This week, FDA Commissioner Scott Gottlieb announced plans to depart the agency next month. [Read below.](#)

Alliance for Site Neutral Payment Reform Urges Congressional Leaders to Consider Site Neutral Policies

On February 20, the Alliance for Site Neutral Payment Reform submitted a letter to House and Senate leaders urging them to advance site neutral payment policies to equalize payments across sites of service for all clinically appropriate outpatient services. [Read below.](#)

Pharma CEOs Testify Before Senate Finance Committee

On February 26, the Senate Finance Committee held a high-profile hearing on drug pricing during which Senators heard testimony from seven executives of pharmaceutical companies about the rising cost of prescription drugs. [Read below.](#)

Congress to Hold Additional Drug Pricing Hearings Throughout the Month

Throughout the month of March, three committees: House Energy and Commerce, House Ways & Means and Senate Aging will hold hearings on how to address high prescription drug costs. [Read below.](#)

Government Appeals Ruling on 340B Payment Cuts

This week, the federal government appealed a U.S. District Court ruling that found CMS had overstepped its authority when it cut payments to Part B drugs provided through the 340B program by 30 percent last year. [Read below.](#)

Secretary Azar Delivers State of the Department Speech

On February 25, Secretary of Health and Human Services Alex Azar delivered his "State of the Department" address to HHS employees, outlining the Administration's accomplishments in 2018 and priorities for 2019. **[Read below.](#)**

House Democrats Introduce Medicare for All Bill

Led by Congresswoman Pramila Jayapal, House Democrats unveiled a bill (H.R. 1384) to transform Medicare into a universal single-payer system and would expand coverage to include prescription drugs, dental and vision services, and long-term care, without charging co-pays, premiums or deductibles. **[Read below.](#)**

Network Physicians Visit Capitol Hill to Advocate for Medicare Part B



Drs. Steve Paulson and Barry Brooks with Congressman Kenny Marchant (TX-24).

Barry Brooks, MD and Steve Paulson, MD of Texas Oncology, Ira Zackon, MD of New York Oncology Hematology and Randy Broun, MD of Oncology Hematology Care, Inc. met with Congressional members and staff on March 6 to highlight concerns with the Administration's International Pricing Index (IPI) model. The Network physicians advocated against specific provisions in the IPI model, primarily the insertion of third-party vendors in the procurement and administration of Part B drugs. Additional meetings are scheduled for the month of March.

The Network, along with other allied healthcare stakeholders, have expressed numerous concerns why the model could result in unintended consequences for patient access, outcomes, and overall costs.

To view patient & provider concerns with the IPI model, [CLICK HERE](#).

FDA Commissioner Scott Gottlieb to Resign

This week, FDA Commissioner Scott Gottlieb announced plans to depart the agency next month. Under Dr. Gottlieb's tenure, the FDA approved a record number of new drugs, generics and medical devices and had a strong focus on encouraging biosimilar development. The agency also worked to implement new regulations for tobacco products and electronic cigarettes and took aim at the opioid epidemic by promoting expanded access to Medication Assisted Treatment (MAT) for substance use disorders.

To view Commissioner Gottlieb's resignation letter, [CLICK HERE](#).

Alliance for Site Neutral Payment Reform Urges Congressional Leaders to Consider Site Neutral Policies

On February 20, the Alliance for Site Neutral Payment Reform submitted a letter to leaders in the House of Representatives urging them to advance site neutral payment policies to equalize payments across sites of service for all clinically appropriate outpatient services. The letter, sent to both Senate and House leaders, highlighted the

negative impacts created by payment disparities between hospital outpatient departments (HOPDs) and independent physician offices.

Specifically, the letter informed lawmakers that payment policies that support higher reimbursement rates for HOPDs lead to significantly higher costs for the healthcare system, as well as patient out-of-patient costs. It also expressed concern that the continued payment disparity will encourage more hospitals to absorb independent physician offices into their systems, further exacerbating the problem.

To read the Senate letter, [CLICK HERE](#).

To read the House letter, [CLICK HERE](#).

Pharma CEOs Testify Before Senate Finance Committee

On February 26, the Senate Finance Committee held a high-profile hearing on drug pricing during which Senators heard testimony from seven executives of pharmaceutical companies about the rising cost of prescription drugs.

During the hearing, drug manufacturers acknowledged the U.S. healthcare system is not sustainable and expressed broad support for the Trump Administration's proposed rule to eliminate protection for rebates to pharmacy benefit managers (PBMs) by amending the Anti-Kickback Statute's discount safe harbor. The executives sought to deflect blame for rising drug prices to PBM practices and insurance companies. Pharmaceutical executives also argued that singling them out would hurt innovation and disincentivize innovation in research and development.

The Senate Finance Committee announced it will hold a separate hearing on drug prices with executives from PBMs in the future.

To read witness testimony and view a recording of the complete hearing, [CLICK HERE](#).

Congress to Hold Additional Drug Pricing Hearings Throughout the Month

Throughout the month of March, three committees: House Energy & Commerce, House Ways & Means and Senate Aging will hold hearings on addressing high prescription drug costs.

- The House Energy & Commerce Committee will hold a hearing on a number of FDA bills aimed at curbing rising drug prices including the CREATES Act, a bill to limit so called "pay-for-delay" tactics used by some pharmaceutical companies to delay the introduction of generics. Separately, HHS Secretary Azar is expected to

testify on the President's FY2020 budget before the E&C health subcommittee on March 12. His testimony is expected to cover a range of issues including the Department's efforts to address prescription drug costs.

- The House Ways & Means Health Subcommittee chaired by Congressman Lloyd Doggett (D-TX) held a hearing on promoting competition to lower prescription drug prices in Medicare on March 7. Witnesses will include academics and representatives from several advocacy groups who have been active on drug pricing issues.
- In the Senate, the Special Committee on Aging chaired by Senator Susan Collins (R-ME) also announced plans to hold a two-day hearing on drug prices featuring testimony from both patients and academics. The second day of testimony focused on "evidence-based perspectives on increased transparency."

To view details about the E&C Health Subcommittee hearings, [CLICK HERE](#).

To view details about the W&M Health Subcommittee hearing, [CLICK HERE](#).

To view more details about the Senate Aging Committee hearings, [CLICK HERE](#) and [HERE](#).

Government Appeals Ruling on 340B Payment Cuts

This week, the federal government appealed a U.S. District Court ruling that found CMS had overstepped its authority when it cut payments to Part B drugs provided through the 340B program by 30 percent last year. In a brief filed Tuesday, the government argued the appeal should be put on hold until the court decides on remedies.

A group of hospital associations, led by the American Hospital Association, the American Association of Medical Colleges, and America's Essential Hospitals, sued the federal government last year, arguing the cuts would disproportionately affect hospitals that serve low-income patients. A U.S. District Court in Washington, DC agreed with the hospital's argument in December 2018 and announced it would make a future ruling on remedies.

Both parties submitted briefs to the court last month, with the hospital groups arguing the court should order CMS to recalculate the payments due to 340B hospitals last year so they receive the same average sales price plus 6 percent rate they received in 2017, plus interest. The government countered, saying that doing so would compromise the budget neutrality of the hospital outpatient payment system and instead urged the court to allow CMS to develop its own fix.

Secretary Azar Delivers State of the Department Speech, Cites Drug Costs, Opioid Epidemic and Cancer Research Among Top Priorities

On February 25, Secretary of Health and Human Services Alex Azar delivered his "State of the Department" address to HHS employees, outlining the Administration's accomplishments in 2018 and HHS' priorities for 2019.

The Administration's priorities include continued funding of the Cancer Moonshot program, which saw a \$300 million increase in funding in 2018, and the "All of Us" research program which aims to enroll one million volunteers in a national genomic database to help spur advancements in personalized medicine. Currently, more 186,000 Americans have shared genetic information with the program.

Azar also highlighted President Trump's goal of ending the HIV/AIDS epidemic within 10 years, as well as addressing the high price of drugs, making progress in the fight against the nation's opioid crisis, and implementing new value-based care models.

To view Secretary Azar's full remarks, [CLICK HERE](#).

House Democrats Introduce Medicare for All Bill

Led by Congresswoman Pramila Jayapal (WA-07), House Democrats unveiled a bill (H.R. 1384) to transform Medicare into a universal single-payer system and would expand coverage to include prescription drugs, dental and vision services, and long-term care, without charging co-pays, premiums or deductibles. Hospitals and institutional providers would be paid through a fixed budget and physicians would be reimbursed through the fee-for-service system. The bill would replace private insurance in two years.

The bill currently has 106 co-sponsors, all of whom are Democrats.

To view the text of the bill, [CLICK HERE](#).