

TOP 5 REASONS IPI IS BAD FOR MEDICARE PART B

The Centers for Medicare & Medicaid Services (CMS) has announced plans to propose regulations establishing an International Pricing Index (IPI) model, which would dramatically alter how doctors and patients get access to drugs under Medicare Part B. The IPI model would require physicians and hospitals to use as-yet unidentified vendors to get access to Part B drugs, disrupting existing distribution relationships and adding inventory complexity. Healthcare stakeholders have expressed myriad concerns why the new regulation could result in unintended consequences, such as hindering patient access, compromising health outcomes and increasing overall costs.

1 IPI is Bad for Patients

- The IPI model would delay patient access to timely, personalized cancer care by requiring point-of-care treatment adjustments to be funneled through a new third-party vendor.
- Inserting a new, unaffiliated vendor into the supply chain could raise concerns around drug traceability and would interfere with the physician/patient relationship.

2 IPI is Bad for Providers

- The new IPI model's mandates would introduce new operational and administrative burdens on community-based physicians already struggling under the weight of existing regulations.
- By forcing providers to absorb new costs, take on more risk and relinquish control of treatment decisions, the IPI model fundamentally disrupts today's community oncology practice operations and could push some providers to close their doors.

3 IPI is Bad for the Healthcare System

- The IPI model would impede ongoing investments and efforts to transition toward value-based care models, like the Oncology Care Model, which are delivering proven results for patients and the Medicare program.
- The new mandate could push patients from community providers to higher cost settings, increasing costs for patients, Medicare and taxpayers.

4 IPI is a Bad Design

- The IPI model is mandatory, expansive, and lacks a control group and a patient-centered focus.
- The IPI mandate would force an unproven, untested hypothesis on half of Medicare beneficiaries, with no ability for the patient to opt out.
- The IPI model would ultimately impact every Part B provider in the country as the price of IPI-acquired treatments will be included in the nationwide Average Sales Price (ASP).

5 IPI Will Do Little to Lower Patient Out-of-Pocket Costs

- While CMS claims the IPI model is designed to reduce drug costs, data show less than 1% of seniors in Medicare would experience lower out-of-pocket costs.¹

