



June 6, 2019

The Honorable Richard E. Neal  
Chairman  
The Honorable Kevin Brady  
Ranking Member  
House Ways and Means Committee

The Honorable Frank Pallone, Jr  
Chairman  
The Honorable Greg Walden  
Ranking Member  
House Energy and Commerce Committee

via email [PartDImprovements@mail.house.gov](mailto:PartDImprovements@mail.house.gov)

Dear Representatives Neal, Brady, Pallone and Walden:

Thank you for the opportunity to comment on your draft legislation and other potential improvements to the Medicare Part D prescription drug program. Our group, MAPRx Coalition (MAPRx), is a national coalition of beneficiary, caregiver, and health care professional organizations committed to improving access to prescription medications in Medicare Part D and safeguarding the well-being of Medicare beneficiaries with chronic diseases and disabilities. We greatly appreciate your leadership in advancing legislation to improve access to prescription drugs for Medicare beneficiaries with Part D coverage.

Over the years, Part D has been viewed as a success due to its broad popularity among enrollees and lower-than-expected government expenditures. Nevertheless, serious challenges remain around access to medications, key consumer purchasing information and the limited ability of beneficiaries to pay the high out-of-pocket (OOP) costs associated with some covered medications. These issues loom large over the future of the program. The lack of an OOP cap is one of the biggest challenges inhibiting the program from being even more successful in meeting the health care needs of Medicare beneficiaries.

#### **Cap on Medicare Part D Out-of-Pocket Costs**

MAPRx urges the Committees to establish an OOP cap for Medicare Part D to limit the amount Medicare beneficiaries pay for covered prescription drugs. Your draft legislation is a good starting point in considering such a cap. MAPRx also recommends a monthly cap (or other mechanism) that would allow total OOP costs to be distributed more evenly throughout the year. This would ease the financial strain for Medicare beneficiaries who currently are faced with paying a significant percentage of their total OOP financial burden at the beginning of each benefit year.

More than 44 million Americans depend on Medicare Part D for their drug coverage. An OOP cap will help ensure Medicare beneficiaries have access to vital and life-saving medicines. While the Part D benefit offers an OOP threshold, there is no true cap on OOP expenditures in Part D. This is unlike the experience most beneficiaries face with commercial coverage, where there is a single OOP cap for all covered services, or in Medicare Part B, where beneficiaries have other OOP protections (such as the ability to purchase supplemental coverage). Supplemental coverage and OOP caps protect consumers from unaffordable cost-sharing and enable them to better anticipate and meet their health care related financial obligations.

Most Medicare beneficiaries live with two or more chronic conditions, and many are reliant on specialty medications for their treatment. The proliferation of specialty tiers, subject to significant coinsurance and excluded from cost-sharing exceptions, forces beneficiaries to pay a significant percentage of a medication's cost. For drugs covered on the specialty tiers, the coinsurance amounts can range anywhere from 25% to 33%, leaving beneficiaries paying thousands of dollars in OOP costs for drugs and biologics used to treat cancer, multiple sclerosis, rheumatoid arthritis, and other disabling, serious, and life-threatening conditions. As a result, beneficiaries often cannot access the most clinically appropriate medication because financially it is out of reach, especially with a median income among Medicare beneficiaries of just over \$26,000.

Compounding these issues is the fact that when beneficiaries who do not qualify for the Low Income Subsidy (LIS) enter into the catastrophic coverage phase, they must pay 5% coinsurance until the next calendar year, when the cycle starts anew. The catastrophic coverage phase 5% cost-sharing requirement can impose an overwhelming financial burden on beneficiaries and can impede access to needed therapies.

**Currently, the average Medicare beneficiary will pay approximately \$2,750 in OOP costs by the time they reach the catastrophic threshold. As such, MAPRx strongly urges the Committees to consider an OOP cap well below this amount.**

In addition to establishing an OOP cap, MAPRx urges the Committees to address Part D OOP costs by:

- **Eliminating cost-sharing for generics for Low-Income Subsidy (LIS) recipients.** Research has shown that eliminating cost-sharing can improve adherence to medication regimens.
- **Repealing the substantial increase in the catastrophic threshold due to occur in 2020, which will cost Medicare Part D beneficiaries an additional \$1,450 out of pocket before they reach the catastrophic coverage phase.**
- **Permitting Part D beneficiaries to seek a lower cost share for specialty medications.** The Committees should explore ways and approaches for beneficiaries taking these high-cost medications to seek a lower cost share amount through the exceptions and appeals processes.

### **Beneficiary Purchasing Information**

We urge the Committees to improve beneficiaries' ability to understand the benefits provided in a plan, along with coverage levels and OOP costs, when determining which plan best meets their needs. In addition to improving prospective and real-time price transparency, plans should be required to provide clarity and transparency on coverage and consumers' OOP costs. A mix of copayments and coinsurance can cause significant confusion, especially for individuals on multiple and/or expensive medications who are trying to navigate the system and compare plans.

Congress should direct the Centers for Medicare and Medicaid Services (CMS) to improve beneficiaries' online shopping experience and ability to compare formularies and OOP costs across plans. As recently recommended by the National Council on Aging, Medicare Plan Finder would benefit from a comprehensive redesign and ongoing investment to remain relevant. MAPRx recommends that Medicare Plan Finder display costs with more precision, so that enrollees can view actual premium costs, coinsurance amounts in dollars, and copayments, rather than percentages.

### **Improvements to the Extra Help, or LIS Program**

MAPRx urges you to make needed improvements to the Part D LIS Program. **Congress should eliminate the asset test and streamline Extra Help program administration.** Only Part D enrollees who meet an exceptionally low asset threshold (amounting to \$7,730 for an individual for full benefits) are currently eligible for assistance with their Part D premiums and cost-sharing. The verification of asset information is burdensome to administer and presents a significant barrier to program enrollment.

In addition, Congress should provide full Extra Help benefits to those living on the edge of poverty. Only the lowest income individuals with Medicare receive full benefits through Extra Help. Individuals with incomes of about \$16,860 to \$18,735 (135% to 150% FPL in 2019) who also meet the program's asset test are exposed to premiums, deductibles, and high coinsurance rates (15%). MAPRx supports S. 691, the Medicare Extra Rx Higher Eligibility Limits in Part D Act of 2019, that would extend full Extra Help benefits to Medicare-eligible seniors and people with disabilities living below \$24,980 per year (200% FPL for an individual). Additionally, we recommend removal of the asset test and elimination of the partial LIS program.

### **Need for Increased Oversight**

Barriers in addition to OOP costs affect beneficiaries' ability to obtain their Part D prescriptions. Challenges to access in Part D include narrowing formularies, an erosion of beneficiary protections, increased utilization management, use of preferred pharmacy networks, and problems with the exceptions and appeals processes. We urge you to consider – and seek to address – these issues as you work to strengthen Part D.

As more Americans become eligible for Medicare, the Part D program will play an increasingly integral role in maintaining beneficiaries' health and reducing overall health care costs. The undersigned members of MAPRx appreciate your interest in making improvements to Medicare Part D. For questions related to MAPRx or the above comments, please contact Bonnie Hogue Duffy, Convener, MAPRx Coalition, at (202) 540-1070 or [bduffy@nvglc.com](mailto:bduffy@nvglc.com).

Sincerely,

ADAP Advocacy Association  
Aimed Alliance  
Allergy & Asthma Network  
Alliance for Aging Research  
Alliance for Patient Access  
Allies for Independence  
Alpha-1 Foundation  
ALS Association

American Association on Health and Disability  
American Autoimmune Related Diseases Association  
American Behcet's Disease Association (ABDA)  
American Cancer Society Cancer Action Network  
American Foundation for Womens Health/StopAfib.org  
American Kidney Fund  
Caregiver Action Network  
Caregiver Voices United  
Chronic Disease Coalition  
Colorectal Cancer Alliance  
Community Access National Network  
COPD Foundation  
Epilepsy Foundation  
GO2Foundation for Lung Cancer  
HealthHIV  
HealthyWomen  
Hemophilia Federation of America  
International Foundation for Autoimmune & Autoinflammatory Arthritis  
International Myeloma Foundation  
Leukemia & Lymphoma Society  
LUNgevity Foundation  
Lupus and Allied Diseases Association, Inc.  
Lupus Foundation of America  
Melanoma Research Foundation  
Men's Health Network  
Mental Health America  
National Alliance on Mental Illness  
National Association of Nutrition and Aging Services Programs (NANASP)  
National Association of State Mental Health Program Directors (NASMHPD)  
National Coalition for LGBT Health  
National Council on Aging  
National Kidney Foundation  
National Multiple Sclerosis Society  
National Organization for Rare Disorders  
National Osteoporosis Foundation  
National Patient Advocate Foundation  
National Psoriasis Foundation  
Parent Project Muscular Dystrophy (PPMD)  
Patient Access Network (PAN) Foundation  
Patient Services Incorporated  
RetireSafe  
Spina Bifida Association  
The AIDS Institute  
The Myositis Association  
Triage Cancer  
U.S. Rural Health Network  
United Spinal Association  
WomenHeart, The National Coalition for Women with Heart Disease