



Comments PDAB -PDAB- <comments.pdab@maryland.gov>

Rebuttal

1 message

Mary Howell [REDACTED] >
To: comments.pdab@maryland.gov

Wed, Feb 19, 2025 at 4:27 PM

February 19, 2025

Subject: Concerns Regarding the Impact of Upper Pricing Limits and Infusion Provider Reimbursement Maryland Prescription Drug Affordability Board.

I would like to express my gratitude for your dedicated service to the people of Maryland. As an infusion provider in the state for nearly 20 years, I am writing to raise my concerns about the proposed upper payment limits for drugs flagged as affordability challenges for Maryland patients and the healthcare system. While I commend Maryland lawmakers for their efforts to address the rising cost of drugs for patients, I believe these upper payment limits may not only fall short of the intended goals, but could also negatively impact the very vulnerable populations they aim to help, unless specific adjustments are made.

In practice, these upper payment limits could limit patient access to essential medications by disrupting the financial balance required for medical benefit drug delivery. This could force smaller, community-based providers, who offer the most affordable care settings for these expensive drugs, out of business. Infusion providers like my practice typically use a buy-and-bill model for acquiring, administering, and billing medications. We receive reimbursement for the drugs and a small fee for professional services, but this payment does not cover the operational costs of our business. To remain sustainable, infusion centers rely on the reimbursement for the drugs to offset the significant gap in covering business expenses such as inventory management, employee salaries, and office costs. If drug payments are reduced, many of Maryland's community-based infusion centers will be forced to close their doors or stop offering certain medications, pushing patients into more costly hospital settings or potentially discontinuing treatments altogether, which in turn will raise their cost of care. While upper pricing limits would set a cap on reimbursement amounts for specific drugs, they do not guarantee reduced costs for patients. This cap simply sets the amount insurers will reimburse for a drug, but it doesn't change the cost of acquiring or administering the drug for providers. It also won't impact the copays or coinsurance that patients are required to pay, particularly since many infusion patients depend on copay assistance, which insurers are trying to restrict through copay accumulator programs.

Despite the good intentions behind these measures, I am concerned that upper payment limits could inadvertently harm infusion providers and patients alike, leading to reduced access to care across the state. I urge the Maryland Prescription Drug Affordability Board to take additional time to fully understand the buy-and-bill model used by most infusion providers. I also hope the board will consider exploring alternative solutions, such as advocating for a legislative amendment to exempt infusion providers from the impact of this bill. This would help preserve community-based care and protect Maryland's infusion centers and their patients. Thank you for your attention to this matter. Should you need any further information, please feel free to reach out.

Sincerely,
Mary P Howell, M.D., Rheumatology Consultants. Hagerstown, MD

February 19, 2025

Subject: Concerns Regarding the Impact of Upper Pricing Limits and Infusion Provider Reimbursement

Maryland Prescription Drug Affordability Board,

I would like to express my gratitude for your dedicated service to the people of Maryland. As an infusion provider in the state for nearly 30 years, I am writing to raise my concerns about the proposed upper payment limits for drugs flagged as affordability challenges for Maryland patients and the healthcare system. While I commend Maryland lawmakers for their efforts to address the rising cost of drugs for patients, I believe these upper payment limits may not only fall short of the intended goals, but could also negatively impact the very vulnerable populations they aim to help, unless specific adjustments are made.

In practice, these upper payment limits could limit patient access to essential medications by disrupting the financial balance required for medical benefit drug delivery. This could force smaller, community-based providers, who offer the most affordable care settings for these expensive drugs, out of business. Infusion providers like my practice typically use a buy-and-bill model for acquiring, administering, and billing medications. We receive reimbursement for the drugs and a small fee for professional services, but this payment does not cover the operational costs of our business. To remain sustainable, infusion centers rely on the reimbursement for the drugs to offset the significant gap in covering business expenses such as inventory management, employee salaries, and office costs. If drug payments are reduced, many of Maryland's community-based infusion centers will be forced to close their doors or stop offering certain medications, pushing patients into more costly hospital settings or potentially discontinuing treatments altogether.

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Sincerely,

Steven J. Klein, M.D., F.A.C.R.

Medical Director

Rheumatology Consultants

Hagerstown, MD