The Honorable Xavier Becerra Secretary U.S. Department of Health and Human Services 200 Independence Avenue, S.W. Washington, D.C. 20201 Chiquita Brooks-LaSure Administrator Centers for Medicare & Medicaid Services 200 Independence Avenue S.W., Ste 314G Washington, D.C. 20201

April 11th, 2024

Re: Withdraw Medicaid Rebate Stacking Policy from MDRP to Protect Patients & Providers

Dear Secretary Becerra and Administrator Brooks-LaSure,

The undersigned patient organizations are writing to express our concerns about the proposed rebate "stacking" policy changes in the Medicaid Drug Rebate Program. As proposed in the rule, "Misclassification of Drugs, Program Administration and Program Integrity Updates Under the Medicaid Drug Rebate Program," the Best Price reporting mechanics for manufacturers would be significantly changed if finalized under the current language and would pose uncertainty in terms of access for patients. While we commend CMS for addressing costs for patients through the Medicaid program, we have concerns there may be unintended consequences for patients as a result of this proposed rule.

We are amplifying a recent letter sent to your office signed by six major provider groups. In the <u>letter</u>, concerns were raised that the aggregated price created by the stacking policy (i.e., all drug discounts provided to separate stakeholders throughout the supply chain are combined) would result in an artificial baseline price that is not sustainable for manufacturers. We worry these proposed changes could disrupt operations significantly, ultimately impacting the patients who depend on life-saving medicines by forcing them to forgo treatment or receive care in a higher-cost setting.

The provider groups fear that drug manufacturers might reduce or eliminate discounts in the supply chain resulting in further ripple effects, which could put patients in an untenable situation. We are deeply concerned that such a drastic change in the Medicaid policy could end up severely impacting patients and the treatment plans they rely on.

Patients are already experiencing higher rates of step therapy and prior authorization, which are creating increased access challenges for many people. We encourage you to withdraw this policy and work closely with patients and providers to ensure that well-intentioned policies will truly benefit all stakeholders.

Thank you for your time and we look forward to working together on this important issue.

Sincerely,

AiArthritis
Amputee Coalition
APS Foundation of America
Arthritis Foundation
Autoimmune Association
Black, Gifted & Whole Foundation
Bone Health and Osteoporosis Foundation

California Chronic Care Coalition Color of Gastrointestinal Illnesses Derma Care Access Network Foundation for Sarcoidosis Research Global Healthy Living Foundation HealthHIV Healthy Men Inc. Hidradenitis Suppurativa Coalition **HS Connect** Lupus Foundation of America Multiple Sclerosis Foundation The National Adrenal Diseases Foundation Schizophrenia & Psychosis Action Alliance Sjögren's Foundation Vasculitis Foundation We Are ILL