

Dear Secretary Azar,

On behalf of our members and the undersigned organizations – representing Medicare beneficiaries and patients across the health care spectrum – we strongly encourage the Department of Health & Human Services (HHS) to act on the administration’s promise to lift the burden of prescription drug costs and move forward with select changes that would improve the Medicare prescription drug benefit.

With at least 23 prescription drug coverage plans available in every region across the country, the Medicare Part D program plays a vital role in improving patient access to quality medications and treatment. As you know, Part D plans negotiate substantial discounts and rebates with drug manufacturers. These negotiations and the program’s competitive marketplace structure have successfully kept Part D total program costs down. In fact, overall Part D costs are \$349 billion less than originally estimated when the program was first created.

The Part D program has also been instrumental in controlling overall federal spending on Medicare thanks to the program’s success in expanding coverage and increasing adherence to treatment among beneficiaries. Increasing adherence keeps costly hospitalizations and other complications to a minimum, resulting in less cost over the long term.

These savings were demonstrated in a 2014 study where experts estimated that reduced hospital expenditures associated with increased prescription drug coverage produced aggregate savings of approximately \$1.5 billion per year.

However, as the President and Secretary of Health and Human Services have noted, patients are having difficulty affording their medicines in the Medicare program. As stated in the administration’s recent request for information, “Medicare Part D has been very successful since it launched in 2006. However, prescription drug markets are different than they were 12 years ago.” It is imperative that Medicare Part D’s competitive structure remains protected. However, some refinements are needed to maintain the program’s successful structure and ensure it continues to be effective.

We are hopeful that HHS will move forward with the drug pricing proposals outlined by the administration that are designed to put patients first.

Specifically, we urge you to move forward with the proposal that would require plans to share a minimum portion of drug rebates directly with patients at the pharmacy counter. According to research from IMS Health, the rebates negotiated under Part D have resulted in an average 35.3 percent discount from manufacturers across 12 therapeutic areas in Part D. We support taking steps to ensure patients realize those savings and allow them to more directly benefit from the substantial discounts and rebates offered by drug manufacturers. This change will enhance patients’ awareness of discounts and provide more of the savings to beneficiaries without compromising access to the wide range of treatment options provided under Part D.

In addition to the rebate savings proposal, we also commend the president for proposing an out-of-pocket spending cap to help seniors in the catastrophic phase save more on prescriptions. Establishing a beneficiary out-of-pocket maximum would significantly help patients who currently spend the most out-of-pocket for their medications. The change would also shift more responsibility onto plans and could create further incentives to lower prices and increase benefits for patients in the catastrophic phase.

Our organizations are very encouraged by these proposed changes and the administration's dedication to lowering costs for patients. We hope that HHS acknowledges the benefits of these proposals and supports efforts to implement positive changes within the Medicare program. We also call on HHS to identify changes that could be harmful to patients – such as changes to the protected classes, limiting the number of covered drugs per class, and no longer allowing manufacturer coverage gap discounts to count towards patients' true out-of-pocket spending – and reject any proposal that would undermine the future success of the important Medicare Part D program.

Thank you for your support.

Sincerely,

National

A. Philip Randolph Institute

ADAP Advocacy Association

Aging Life Care Association

Allergy & Asthma Network

Allies for Independence

American Association for Geriatric Psychiatry

American Autoimmune Related Diseases Association

American Behcet's Disease Association (ABDA)

American Kidney Fund

American Society on Aging

American Stroke Foundation

Association of Asian Pacific Community Health Organizations

Caregiver Action Network

Community Access National Network (CANN)

Community Health Action Network

Easterseals

Epilepsy Foundation

GIST Cancer Awareness Foundation

GLMA: Health Professionals Advancing LGBT Equality

Hadassah, The Women's Zionist Organization of America, Inc.

Hannah's Hope Fund

HealthHIV

HealthyWomen

Human Rights Campaign

ICAN, International Cancer Advocacy Network

IFAA - International Foundation for Autoimmune & Autoinflammatory Arthritis

International Association of Hepatitis Task Forces

LatinosAgainstAlzheimer's

Long Term Care Community Coalition

Lupus and Allied Diseases Association

Lupus Foundation of America

Mended Hearts

Men's Health Network

Mental Health America

National Alliance on Mental Illness

National Association of Hispanic Nurses

National Association of Latino Healthcare Executives

National Black Nurses Association

National Coalition for LGBT Health

National Consumer Voice for Quality Long-Term Care

National Consumers League

National Council for Behavioral Health

National Down Syndrome Society

National Grange

National Hispanic Council on Aging

National Hispanic Medical Association

National Infusion Center Association

National Osteoporosis Foundation

Prevent Blindness

RetireSafe

Rx Partnership

Salud USA

Sequilla, Inc.

Services & Advocacy for GLBT Elders (SAGE)

StopAfib.org/American Foundation for Women's Health

Survivors Cancer Action Network

The AIDS Institute

The American Liver Foundation

The National Puerto Rican Chamber of Commerce

The Veterans Health Council of Vietnam Veterans of America

Thelma D. Jones Breast Cancer Fund

U.S. Rural Health Network

Vietnam Veterans of America

Yes

ZERO - The End of Prostate Cancer

Vasculitis Foundation

State

1 in9/Hewlett House

A 2nd Act AZ

Advocates for Responsible Care (ARxC)

AIDS Action Committee of Massachusetts

AIDS CT

Alabama Lifespan Respite

Alliance for Retired Americans

Alzheimer's & Dementia Resource Center

Alzheimer's and Dementia Alliance of Wisconsin

Amada Senior Care

American Liver Foundation Greater Los Angeles

Ames Chamber of Commerce

Arizona Myeloma Network
Arizona Rural Health Association
Asthma and Allergy Foundation of America-New England Chapter
Aunt Rita's Foundation
BioBuzz Workforce Foundation, Inc.
BioForward
BioHouston Inc.
BioNJ
BionorthTX
Bioscience Association of West Virginia
BioUtah
California Health Collaborative
California Hepatitis C Task Force
California Hispanic Chambers of Commerce
Campesinos Sin Fronteras
Cancer Support Community Central Indiana
Carrie's TOUCH
Center for Healthcare Innovation
Centro de Mi Salud, LLC
Charleston Parkinson's Support Group
Clear Creek Grange
Coalition of Texans with Disabilities
Colorado BioScience Association
Colorado Business Roundtable
Colorado Gerontological Society
Colorado State Grange
Community Health Charities of Nebraska
Connecticut Bioscience Growth Council
Delaware BioScience Association, Inc.

Delaware Ecumenical Council on Children and Families

Delaware HIV Consortium

Dia de la Mujer Latina

Easter Seals Massachusetts

Easter Seals North Georgia, Inc.

Easterseals Central Texas

Easterseals Colorado

Easterseals Maine

El Centro de la Raza

Embracing Latina Leadership AllianceS (ELLAS)

Epilepsy Association of Central Florida

Epilepsy Foundation Heart of Wisconsin

Epilepsy Foundation Iowa

Epilepsy Foundation Louisiana

Epilepsy Foundation New England

Epilepsy Foundation Northwest

Epilepsy Foundation of Alabama

Epilepsy Foundation of Colorado

Epilepsy Foundation of Connecticut

Epilepsy Foundation of East TN

Epilepsy Foundation of Indiana

Epilepsy Foundation of Kentuckiana

Epilepsy Foundation of Minnesota

Epilepsy Foundation of MO & KS

Epilepsy Foundation of North Carolina

Epilepsy Foundation of Utah

Fairhill Partners

First Step House

Frannie Peabody Center

Free ME from Lung Cancer
Gay Men Aloud
Global Healthy Living Foundation
Hospice and Palliative Care Association of NY State
IDAHO STATE GRANGE
Illinois Biotechnology Innovation Organization
Illinois State Grange
Indiana Health Industry Forum
International Institute for Human Empowerment
Iowa Biotechnology Assn.
Iowa State Grange
Joe Niekro Foundation
Kentucky and S. Indiana Stroke Association
Kentucky Life Science Council
Latino Diabetes Association
Licking County Aging Program
Life Sciences Pennsylvania
Living Hope for Mental Health
Los Angeles Wellness Station
Lupus Foundation New England
Lupus Foundation of America – Pacific Northwest Region
Lupus Foundation of Arkansas, Inc.
Lupus LA
Maryland State Grange
Massachusetts Association for Mental Health
MdBio Foundation
Meals on Wheels of North Carolina
Meals on Wheels of Wake County
MEND-Meet Each Need with Dignity

Mental Health America Indiana
Mental Health America of Montana
Mexican American Opportunity Foundation
Michigan Biosciences Industry Association
Michigan Lupus Foundation
Montana BioScience Alliance
Montana State Grange
Mountain Mission Inc.
NAMI Huntington
NAMI Maine
NAMI North Dakota
NAMI St. Louis
NAMI Tennessee
NAMI-NYS
Nashville CARES
National Alliance on Mental Illness - Mississippi
National Alliance on Mental Illness New Mexico
National Alliance on Mental Illness of Massachusetts
National Association of Hispanic Nurses Houston Chapter
National Association of Social Workers North Carolina Chapter
National Association of Social Workers-Texas Chapter
National Minority Quality Forum
NC MedAssist
NC State Grange
New England Biotech Association
New Jersey Association of Mental Health and Addiction Agencies, Inc.
New Jersey Mayors Committee on Life Science
New Mexico Biotechnology & Biomedical Association
New York Memory Center

New York State Grange
North Carolina Psychological Association
North Dakota Rural Health Association
Northern Utah Coalition, Inc.
Northwest Parkinson's Foundation
Ogden NAACP
Ohio State Grange
ONEgeneration
Oregon State Grange
Patient Services Incorporated
Pennsylvania State Grange
Port Isabel-San Benito Navigation District
Prevent Blindness, Ohio Affiliate
Project ReDirect, Inc.
Quality Connection
Recovery Idaho, Inc.
Rio Grande Valley Partnership
Rocky Mountain Stroke Center
Rush to Live
Rx in Reach Georgia Coalition
S.A.M.S. Stop All Multiple Sclerosis
SAVE
Scleroderma Foundation Washington Evergreen Chapter
South Asian Network
Stepping Stones Recovery Houses
Survivors CAN Alabama
Tennessee Health Care Campaign
Tennessee State Grange
Texas Healthcare and Bioscience Institute

Texas Renal Coalition

Thai Health & Information Services

The AMAAD Institute (Arming Minorities Against Addiction and Disease)

The G.R.E.E.N Foundation

The Wall Las Memorias Project

Thrive Alabama

Touro University California College of Pharmacy

Transplant Recipients International Organization (TRIO) Seattle Chapter

Utah Support Advocates for Recovery Awareness (USARA)

Valley AIDS Council

Virginia Bio

Virginia Hispanic Chamber

VisMed3D

Westbrook Clinic

Wisconsin Association of Osteopathic Physicians and Surgeons

Wound Care Clinic - ESU