

February 9, 2015

The Honorable Orrin Hatch
Chairman
Committee on Finance
U.S. Senate
Washington, DC 20510

The Honorable Ron Wyden
Ranking Member
Committee on Finance
U.S. Senate
Washington, DC 20510

The Honorable Fred Upton
Chairman
Committee on Energy and Commerce
U.S. House of Representatives
Washington, DC 20515

The Honorable Frank Pallone
Ranking Member
Committee on Energy and Commerce
U.S. House of Representatives
Washington, DC 20515

The Honorable Paul Ryan
Chairman
Committee on Ways and Means
U.S. House of Representatives
Washington, DC 20515

The Honorable Sander Levin
Ranking Member
Committee on Ways and Means
U.S. House of Representatives
Washington, DC 20515

Dear Chairmen and Ranking Members:

We are writing on behalf of nearly 60 patient groups to urge you to oppose any legislative proposals that would increase co-pays for brand medicines used by Low-Income Subsidy (LIS) beneficiaries in the Medicare Part D program. In his Fiscal Year 2015 and 2016 budgets, the President included provisions that would double the statutory brand drug copayments for LIS beneficiaries. While these proposals are meant to encourage the use of generic drugs, if enacted, this change would have harmful effects on a particularly vulnerable patient population. Specifically, these proposals could reduce medication adherence, compromise patient outcomes, and raise overall Medicare costs.

LIS beneficiaries often have multiple chronic conditions, higher rates of disabilities, and more functional or cognitive impairments than non-LIS enrollees. As a result, any changes in medication can be particularly harmful for these beneficiaries. About half of all LIS beneficiaries qualify for Medicare before age 65 due to a disability, compared to 15 percent of non-LIS beneficiaries. Overall, LIS beneficiaries tend to be in worse health than other Medicare beneficiaries, and therefore may need multiple brand medicines to treat their chronic and often complex conditions. This means that higher copays would disproportionately penalize this population.

Since LIS enrollees by definition have incomes below 135% of the federal poverty level, they have very limited resources to pay out-of-pocket costs. Further, in many states, full benefit dual eligibles fall below 100% of the federal poverty line. Even nominally increasing cost-sharing could force them to forego, delay, or decrease use of their prescribed medications. A decline in medication adherence will only lead to poorer health outcomes, which in turn will cost the Medicare and Medicaid programs even more in avoidable hospitalizations and other unnecessary medical care. We should be encouraging

these patients to take the medications their doctors prescribe rather than giving them reasons to skip doses or switch medicines, which could disrupt their treatment plans.

Lastly, proposing changes to copayments in order to encourage the use of generic drugs is not necessary, since data from the Medicare Payment Advisory Commission (MedPAC) shows LIS beneficiaries already have high generic utilization rates. In 2011, 74% percent of prescriptions for these Part D enrollees were filled with generic drugs and that percentage is steadily increasing.

We strongly urge you to protect LIS beneficiaries – a particularly vulnerable population with high rates of disability, significant healthcare needs, and limited resources – by preserving their access to the medicines they need.

Sincerely,

American Association of Cardiovascular and Pulmonary Rehabilitation
American Congress of Community Supports and Employment Services
ADAP Advocacy Association (aaa+)
AIDS United
Allergy & Asthma Network
Alliance for Patient Access
Alpha-1 Foundation
American Association for Respiratory Care
American Association on Health and Disability
American Autoimmune Related Diseases Association (AARDA)
American Lung Association
American Thoracic Society
Blue Ribbon Advocacy Alliance
CHOW Project
Community Access National Network
COPD Foundation
Easter Seals
Epilepsy Foundation
For Grace
The Hepatitis C Mentor and Support Group, Inc.
HealthHIV
Hep Free Hawaii
Hepatitis Education Project
HepTREC @ University of the Sciences
Knights of Columbus
Lupus and Allied Diseases Association, Inc.
Lupus Foundation New England
Lupus Foundation of America
Lupus Foundation of Florida Inc
Lupus Foundation of PA
Lupus Foundation of Southern California
Lupus LA
Lupus Research Institute
Lupus Society of Illinois
Michigan Lupus Foundation

Nat Minority AIDS Council
Nat'l Association for Medical Direction of Respiratory Care
National Alliance of State & Territorial AIDS Directors
National Alliance on Mental Illness
National Association of Nutrition and Aging Services Programs
National Black Nurses Association
National Council for Behavioral Health
National Minority Quality Forum
National MS Society
National Organization for Rare Disorders
National Viral Hepatitis Roundtable
Ovarian Cancer National Alliance
Parkinson's Action Network
Power of Pain Foundation
Project Inform
S.L.E. Lupus Foundation
Society for Women's Health Research
The AIDS Institute
The Arc of the United States
The Mended Hearts, Inc.
U.S. Pain Foundation

cc: Majority Leader Mitch McConnell
Minority Leader Harry Reid
Majority Whip John Cornyn
Minority Whip Richard Durbin
Speaker John Boehner
Majority Leader Kevin McCarthy
Minority Leader Nancy Pelosi
Majority Whip Steve Scalise
Minority Whip Steny Hoyer