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December 10, 2018

Alex Azar, Secretary, Health and Human Services
Seema Verma, Administrator, Centers for Medicare and Medicaid Services
Department of Health and Human Services
Centers for Medicare & Medicaid Services
Attention: CMS-5528- ANPRM
Mail Stop C4-26-05
7500 Security Boulevard
Baltimore, MD 21244-1850

Dear Secretary Azar and Administrator Verma:

The American Psychiatric Association (APA), the national medical specialty society representing more than 37,800 psychiatrists who treat mental health disorders, including substance use disorders, appreciates the opportunity to submit feedback to the Department of Health and Human Services' (HHS) Advance Notice of Proposed Rulemaking (ANPRM), regarding the International Price Index Model (IPI) for drugs dispensed under the Medicare Part B Program. The APA is fully supportive of the Center for Medicare and Medicaid Innovation's (CMMI) efforts to improve patients' access to pharmaceuticals by reducing costs. We agree that Medicare should be more quality driven, cost efficient, and patient focused. However, we do not support the IPI proposal in its current form and are writing to urge you not to move forward with it.

The ANPRM states that the IPI model demonstration will be performed in a geographic area representing half of Medicare Part B spending and will be mandatory for physicians and hospitals in the randomly selected geographic area. We are concerned that the size of the demonstration and its mandatory nature goes beyond what a demonstration should be and historically has been under CMMI. Generally, the APA is opposed to large-scale mandatory demonstration projects, because in effect, they are nationwide program changes without the small-scale testing to ensure patient access is protected. Additionally, because this particular demonstration proposes changing the Average Sales Price (ASP) methodology, physicians and hospitals outside the selected geographic area, will be impacted by changes to their reimbursement. Given the large size, scope and impact of the demonstration, we are very concerned about potential adverse consequences for beneficiaries, particularly on those with serious mental health illness and substance use disorders, receiving medications under Part B. If the Administration decides to move further with the IPI, we urge making the demo smaller and voluntary, to ensure that potential harm to patients can be quickly identified and addressed.

For the reasons discussed above, APA opposes the IPI proposal in its current form. We support the Administration's efforts to bring down drug costs for patients, but not at the risk of harming our sickest and most vulnerable patients.

Sincerely,

Saul Levin, MD, MPA, FRCP-E CEO and Medical Director