

October 16, 2007

The Honorable Max Baucus  
Chairman  
Committee on Finance  
United States Senate  
511 Hart Senate Office Building  
Washington, D.C. 20515

The Honorable Charles Grassley  
Ranking Member  
Committee on Finance  
United States Senate  
135 Hart Senate Office Building  
Washington, D.C. 20515

Dear Chairman Baucus and Ranking Member Grassley:

The undersigned organizations, representing medical professionals, health care providers, and biotechnology companies, urge you to address an unintended but significant gap in the Medicare prescription drug benefit that is adversely affecting beneficiaries in need of home infusion therapy. This gap is forcing patients into more costly care settings, such as hospitals and nursing homes, when they can be treated effectively in the comfort of their homes. This is precisely the type of problem that Congress should examine and correct as it considers changes to the Medicare program this year.

When Congress passed the Medicare Modernization Act in 2003, it intended for Medicare beneficiaries to have access to home infusion therapies, which are administered directly into the patient's bloodstream via a needle or catheter and are prescribed to treat serious infections, cancer, congestive heart failure, and other diseases for which oral medications will not work. Congress correctly understood what private payers have realized for decades – that providing infusion therapy in the home would eliminate or reduce hospital stays, avoid nursing home admissions, decrease costs, and lower the incidence of expensive and potentially deadly hospital-acquired infections.

Unfortunately, CMS' interpretation of the statute fell short of Congress' intent by allowing coverage of only the drugs but not the specialized supplies, equipment, and professional services required to provide infusion therapy in the home. These items and services represent approximately half the cost of home infusion therapy. The vast majority of patients cannot afford to pay for them out of pocket and find themselves seeking care where these expenses are reimbursed. Thus, CMS' interpretation has produced the perverse result of requiring Medicare to pay for all costs associated with providing infusion therapy in hospitals and nursing homes while denying coverage in the setting that is far less expensive, more convenient for the patient, and less likely to result in secondary infections – the patient's home.

Bipartisan legislation introduced in the House (H.R. 2567) would correct this problem by expressly providing coverage under Medicare Part B of the infusion-related services, equipment, and supplies. Coverage of infusion drugs would remain unchanged in Part D. We ask that you incorporate this legislation into the Medicare package that you are drafting in the Finance Committee. In doing so, you will be demonstrating your

commitment to a meaningful prescription drug benefit for all beneficiaries and patient access to quality home-based care.

Thank you for your consideration.

American Academy of Allergy Asthma and Immunology  
American Association of Clinical Endocrinologists  
American Case Management Association  
American College of Allergy Asthma and Immunology  
American College of Rheumatology  
American Society of Consultant Pharmacists  
American Society of Health-System Pharmacists  
American Society for Parenteral and Enteral Nutrition  
Biotechnology Industry Organization  
California Association for Health Services at Home  
Infectious Diseases Society of America  
Infusion Nurses Society  
Joint Council of Allergy Asthma and Immunology  
National Home Infusion Association  
New England Medical Equipment Dealers Association  
Pennsylvania Association of Medical Equipment Suppliers  
Society of General Internal Medicine

cc: Sen. John Rockefeller  
Sen. Kent Conrad  
Sen. Jeff Bingaman  
Sen. John Kerry  
Sen. Blanche Lincoln  
Sen. Ron Wyden  
Sen. Charles Schumer  
Sen. Debbie Stabenow  
Sen. Maria Cantwell  
Sen. Ken Salazar  
Sen. Orrin Hatch  
Sen. Trent Lott  
Sen. Olympia Snowe  
Sen. Jon Kyl  
Sen. Gordon Smith  
Sen. Jim Bunning  
Sen. Mike Crapo  
Sen. Pat Roberts  
Sen. John Ensign