Mental Health America of the MidSouth

March 3, 2021

Dear Tennessee Congressional Delegation:

As the CEO of Mental Health America of the MidSouth (MHA), I want to bring to your attention two urgent issues to address relating to Medicare Part D. Approximately 1.3 million Tennesseans rely on Medicare for their health care needs. Any drastic changes has the potential to disrupt necessary care and make prescription drugs completely unattainable for these constituents of yours. Affordability and access are two of the most pressing needs in relation to prescription medication, and these two changes put both at risk.

In January of 2019, the Center for Medicare and Medicaid Innovation (CMMI) launched a voluntary five-year Part D Payment Modernization Model to provide significant protections to the "6 protected classes of drugs" covered under Medicare Part D. These included lifesaving medications for patients requiring treatment for epileptic seizures, cancer, organ rejection in transplants, HIV, depression, acute psychosis, schizophrenia, bipolar disorder and other psychiatric illnesses. Significant changes to the Part D Payment Modernization Model were announced that would go into effect in 2022. The model revisions would allow participating Part D plans to treat five of the six protected classes the same as other Part D drug classes. These sweeping changes alter the requirements for drug coverage and will lead to a significant number of drugs covered under the plan to be removed.

In addition to the changes to the Part D Payment Modernization Model, HHS also finalized the Trump administration's previously abandoned 2019 rebate rule proposal aimed at excluding certain rebates paid by drug manufacturers. In short, this new rule protects discounts aimed to ensure lower out-of-pocket costs for patients who rely on prescription drugs with high prices and high rebates. Unfortunately, this new rule has been challenged in court and the Department of Justice has delayed the implementation by one year until Jan. 1, 2023. This needless and bureaucratic delay will only harm Tennesseans who rely on prescriptions covered directly under Part D, and instead will line the pockets of pharmacy benefit managers and middlemen. It is imperative that beneficiaries with chronic and debilitating illnesses are ensured access to discounts under the Medicare Part D program to lower out-of-pocket costs.

I don't like thinking how these changes could potentially end up costing thousands of Tennesseans access to lifesaving medication. Some of Tennessee's most vulnerable populations, including those with disabilities and chronic illnesses, would be required to pay the same, if not more, out-of-pocket costs for fewer options to treat their conditions, with no benefit to the industry or economy, all while also losing access to certain lifesaving medications.

The integrity of the Medicare Part D program must be ensured to guarantee that vulnerable Tennesseans, those who need it most, have access to high-quality treatment. By removing patient

choice, options and protections from the market, these haphazard changes would end up not only harming your constituents, but suffocating potential future growth in the industry.

We urge you to encourage the Biden administration to support full implementation of the 2019 rebate rule, stop the drastic and damaging changes to the Part D Payment Modernization Model, which will protect the 1.3 million Tennesseans who rely on Medicare for their health care needs and deserve coverage under Medicare Part D.

Respectfully,

Tom Starling, EdD
President and CEO

Tennessee Kidney Foundation