

Austin, TX (November 23, 2020) - The National Infusion Center Association released the following statement expressing its disappointment about the Trump Administration's recently announced decision to operationalize the Most Favored Nation (MFN) drug pricing approach outlined in Trump's recent executive order.

“While NICA agrees that the cost of prescription drugs is a major issue plaguing American patients, we are concerned by President Trump's attempt to solve this problem by importing foreign price controls through a Most Favored Nation Model. As a national trade association dedicated to overcoming challenges and threats to patient care, we must make policy makers aware that this model would jeopardize patient access to quality care and necessary, life-saving treatments. The model fails to ensure that vulnerable Medicare beneficiaries have access to safe, unrestricted care when they need it. In the proposal itself, **the Administration explicitly states that a portion of the model's savings 'is attributable to beneficiaries not accessing their drugs through the Medicare benefit, along with the associated lost utilization.'** Given the challenges associated with the ongoing pandemic, patients deserve stable care now more than ever. The drastic reform measures outlined in this executive order will not ensure their safety; in fact, it seems explicitly designed to deny patients access to treatments in the name of reducing the government's drug spend. A 2020 Avalere study found that Medicare patients with Rheumatoid Arthritis (RA) have 121% higher medical costs when disease is undermanaged compared to RA patients effectively managed with medical benefit drugs.¹ As proposed, this rule would disrupt access to care among our nation's most vulnerable patient populations and offset any savings from drug pricing reductions with significant increases in non-drug service consumption, increasing Part A and non-drug Part B spending, and increasing Part B beneficiaries' out-of-pocket costs. In other words, this reform represents an all-lose proposition that exacerbates the very problems we're trying to solve.

While the MFN model may initially reduce drug prices, it would disrupt access to care in the lowest cost care setting for provider-administered therapies. We have serious concerns that this program change will interfere with care plans prescribed by physicians and cause delays in receiving new, innovative drugs and bringing treatments to market.

NICA urges the Trump Administration to reconsider and abandon these imminently harmful policy initiatives and work to provide common sense reforms that increase access to high quality care and directly address high out-of-pocket costs for patients.”

¹ Cole, M. et al. Patients with undermanaged RA have higher medical costs than other RA patients. Avalere. 2020. Access at: <https://avalere.com/insights/patients-with-undermanaged-ra-have-higher-medicare-costs-than-other-ra-patients>

