



[DATE]

[Clinician Name]
[123 Clinician Way]
[City, State 12345]

[Your Name]
[123 Employee Street]
[City, State 12345]

**SAMPLE LETTER:
Provider to Commercial Payer
about Specialty Pharmacy
Mandates or “White Bagging”**

This sample letter is meant to serve as a guide, and the talking points provided are examples. Be sure to include your personal experience.

To Whom It May Concern at **[Insurance Company Name]**,

I am writing today to express my concerns with **[Insurance Company Name]**'s decision to implement a change in policy that would require my office to acquire specialty medications through a specialty pharmacy, replacing the existing buy-and-bill model. This mandated practice, also known as “white bagging,” will make the current care model financially unsustainable and eliminate my office’s ability to deliver safe, high-quality care in the lowest cost care setting.

After reviewing the site of care review policy **[or insert policy name/number if known]**, it appears **[Insurance Company]** agrees that whenever safe and appropriate, patients can and should receive specialty medications in non-hospital care settings. However, if **[Insurance Company]** moves forward with this policy, site of care initiatives will be very challenging to implement, as a mandatory specialty pharmacy acquisition model will eventually put non-hospital infusion operators out of business.

Like any other business, my practice relies on adequate revenue to cover [overhead/other] costs like [rent, utilities, drug storage, insurance, staff salaries, etc.]. Preparing, administering, and monitoring are all crucial elements to managing specialty medications, requiring up to three hours of additional labor. Under a white bagging mandate, offices like mine will be required to provide these important aspects of high-quality care without proper reimbursement. The specialty pharmacy model does not factor in these costs and the complexity of medications that require particular handling. Reimbursement for the administration services associated with furnishing specialty medications does not cover the actual costs of providing those services, however infusion providers have historically been able to offset these losses with the slim drug margins generated under the buy-and-bill model. If it is no longer financially viable to treat patients, infusion providers like myself will no longer be able to offer our services. Patients will be forced to receive care at other settings, like hospitals, incurring increased costs for both the patients and **[Insurance Company Name]**, with the latter bearing the brunt of the cost liability.

While some patients may have the option of going to another site of care, others do not. In many areas, especially in more rural parts of the country, there may not be another option available within a reasonable distance for patients to receive care. **[If you live in a rural or underserved area and the nearest hospital infusion center is many miles away, consider including more detail about your community here].** In these cases, patients may end up discontinuing treatment altogether. Patients treated with specialty medications are among the country’s most vulnerable



citizens; any barrier to managing their complex, chronic diseases increases the risk of disease flares and costly complications as they necessitate additional healthcare services including invasive (read: expensive) procedures and hospitalizations. I urge **[Insurance Company Name]** to look at its own data and assess how the projected savings from implementing this specialty pharmacy mandate compares to these increased expenses.

[My practice has worked with a specialty pharmacy before/other practices have reported] [and we/that they] have [received different dose quantities than what was ordered/experienced processing and shipping delays]. Specialty pharmacies add an unnecessary middleman to the healthcare process, increasing the risk of error in dose shipment vs. ordering quantity. Many medication dosages are calculated based on body weight, but when a specialty pharmacy is used, providers are unable to adjust the dose at the time of treatment leaving us to choose between two equally poor options: delaying treatment or administering a subtherapeutic dose. These delays, miscalculations and obstacles disrupt treatment for patients, causing serious health implications and increased costs.

While I understand the need for lowering specialty drug spend and overall healthcare costs, this policy simply will not achieve that goal. Instead, it will disrupt access to office-based infusion settings and increase the physician and economic burden of disease with implications for both patients and for **[Insurance Company Name]**. Office-based infusion centers are the most economical, high-quality settings offering this specialized care, but by implementing a specialty pharmacy mandate, **[Insurance Company Name]** hurts patient outcomes and ultimately foots the bill for more expensive sites of care and future health complications. I trust that **[Insurance Company Name]** wants to make the most cost-effective and patient-centered choice, and a plan requiring a specialty pharmacy mandate is not that choice.

Please help us preserve the buy-and-bill drug acquisition model and abandon this specialty pharmacy mandate. Thank you for your time and consideration, and I look forward to your response.

Sincerely,

[Signature]

[Your Name]

[Your Contact Information, if desired]