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New Commissioned Milliman Study Projects \$9.2 Billion Reduction in Medicare Part B Provider Reimbursement for Non-Oncology Drugs over 10 Years

Analysis finds reimbursement changes could create significant financial pressure for community-based providers and affect patient access to care. H.R. 4299 would restore approximately \$9.0 billion while preserving savings for Medicare and beneficiaries.

AUSTIN, Texas (September 30, 2026) -- Medicare drug price negotiations could reduce provider reimbursement for non-oncology Part B drugs by an estimated \$9.2 billion over 10 years compared with the pre-negotiation ASP-based payment structure, potentially creating financial and operational challenges for healthcare providers and affecting patient access to treatment, according to a new [Milliman study](#) commissioned by the National Infusion Center Association (NICA). The analysis also found that the Protecting Patient Access to Cancer and Complex Therapies Act (PACTA) could restore approximately \$9.0 billion of that reimbursement while maintaining the benefits of negotiated drug prices for Medicare and patients.

“Lower drug prices cannot improve access if community-based providers cannot afford to deliver the treatments patients need,” said Brian Nyquist, MPH, President and CEO of NICA. “Milliman projects that Medicare drug price negotiations could reduce reimbursement for non-oncology Part B drugs by \$9.2 billion over 10 years. That loss could force practices to reconsider which therapies they can continue offering.”

Beginning in 2028, Medicare's Drug Price Negotiation Program will for the first time apply negotiated Maximum Fair Prices (MFPs) to selected drugs payable under Medicare Part B. Part B providers generally operate under a “buy-and-bill” model, acquiring medications before administering them and receiving reimbursement afterward. For most Part B drugs, reimbursement has generally been based on the drug's Average Sales Price (ASP) plus a 6% add-on payment. Under the Inflation Reduction Act's negotiation framework, reimbursement for selected drugs will instead be tied to the lower MFP plus 6%. Notably, Medicare sequestration reduces the effective add-on payment to less than 6%.

The study notes that providers could respond to lower reimbursement in different ways, including discontinuing certain therapies, renegotiating contracts, reducing staffing, consolidating with larger systems, or closing entirely. Independent providers included in the analysis served approximately 56 million unique Medicare patients across all services based on 2023 utilization.

The analysis also modeled PACTA as an alternative reimbursement structure. PACTA would preserve ASP-based reimbursement for providers, while keeping patient cost sharing tied to the lower negotiated price. Manufacturers would provide rebates to Medicare to account for the difference, allowing Medicare to preserve savings from drug price negotiations while protecting provider reimbursement and lowering patients' out-of-pocket costs. Under that scenario, Milliman estimates that approximately \$9.0 billion of the projected \$9.2 billion reduction would be restored, while beneficiary cost sharing would remain tied to the lower negotiated price. The study estimates that providers would experience a remaining \$185 million reduction over 10 years, largely due to Medicare sequestration effects.

“PACTA is a targeted solution: patients retain the benefit of the lower negotiated price, Medicare preserves its savings, and providers receive a more sustainable payment for delivering care,” Nyquist continued. “Congress can lower drug costs without weakening the community-based infrastructure patients depend on to receive the treatments they need.”

Click [here](#) to read the full Milliman study.

About the National Infusion Center Association: The National Infusion Center Association (NICA) is an independent nonprofit trade association and ANSI-recognized standards developer representing community-based infusion providers and other outpatient settings where provider-administered medications are prepared and administered. NICA works to preserve and expand patient access to high-quality community-based infusion care through advocacy, education, standards, accreditation, and provider support.

For more information about NICA, please visit <https://infusioncenter.org/>.