

August 24, 2023

The Honorable Cathy McMorris Rodgers Chair, House Committee on Energy and Commerce U.S. House of Representatives Washington, DC 20515

Dear Madam Chair,

On behalf of the American College of Physicians (ACP), I write to express our deep appreciation for your commitment to addressing the critical issue of drug shortages. The Stop Drug Shortages Act would provide patients with better access to generic prescription drugs that are currently experiencing shortages or are at risk of being in shortage. We applaud your consideration of policies that would improve market conditions for generic drugs as it aligns with ACP's mission to enhance patient care.

ACP is the largest medical specialty organization and the second-largest physician membership society in the United States. ACP members include 161,000 internal medicine physicians, related subspecialists, and medical students. Internal medicine physicians are specialists who apply scientific knowledge, clinical expertise, and compassion to the preventive, diagnostic, and therapeutic care of adults across the spectrum from health to complex illness.

The impact of drug shortages on the healthcare system cannot be overstated. Drug shortages have been on the rise over the past several decades, leading to increased costs, additional labor efforts, and heightened safety concerns.^{1, 2} As physicians, we utilize prescription drugs as fundamental tools in patient care, helping us to improve health outcomes. The drug shortage crisis is hindering patient access and affecting medication adherence. It is estimated that medication non-adherence results in increased hospitalization and mortality rates and costs the U.S. healthcare system anywhere from \$100-\$300 billion a year.³

ACP is encouraged by the proactive steps that Congress has taken to address this important issue and we urge you to continue championing bipartisan policies that will strengthen the supply chains of essential medications in this country. **The College** <u>recommends</u> that the

¹ "Drug Shortages Statistics." ASHP, 2020. https://www.ashp.org/Drug-Shortages/Shortage-Resources/Drug-Shortages-Statistics

² Vail et al. Association Between US Norepinephrine Shortage and Mortality Among Patients With Septic Shock. JAMA. 2017

³ Viswanathan, Meera, Carol E. Golin, Christine D. Jones, Mahima Ashok, Susan J. Blalock, Roberta CM Wines, Emmanuel JL Coker-Schwimmer, David L. Rosen, Priyanka Sista, and Kathleen N. Lohr. "Interventions to improve adherence to self-administered medications for chronic diseases in the United States: a systematic review." Annals of internal medicine 157, no. 11 (2012): 785-795.

federal government and private sector stakeholders work together to ensure that there is an adequate supply of drugs, including vaccines, available to safeguard and treat the U.S. population.

While ACP has long <u>advocated</u> for further study of payment models in federal health care programs, including in Medicare, we respectfully express our <u>concerns</u> regarding the proposal to study a flat fee payment model for Medicare Part B drugs. A change to a flat fee payment structure could increase the financial burden for small or solo physician practices. **ACP asks that Congress continues to consider the implications of a flat fee model on physicians and to** <u>ensure</u> that the physician fee schedule accurately reflects the cost of storing and administering certain medications. Moreover, any demonstration projects or pilots that result from the study <u>should be developed</u> with robust stakeholder input, especially from community physicians, and should incorporate safeguards to maintain patient access to necessary medications.

As Congress examines solutions to address drug shortages, ACP urges Congress to consider policies that would address the rising costs of prescription drugs and its impact on patient care. Prescription drug spending is projected to increase by almost 6% annually from 2024 to 2028—making it one of the fastest growing health care spending categories.⁴ Step therapy, a protocol implemented by insurers, has been used to curb the costs of drugs. It requires patients to try and fail at lower-priced drugs selected by their insurer before the drug prescribed by their doctor is covered. Health plans can also change coverage to take patients off their current medication plans for cost reasons, a practice known as nonmedical drug switching.⁵ These practices can disrupt patient care and hinder access to treatment. ACP <u>supports policy</u> requiring that all step therapy and medication switching policies aim to minimize care disruption, harm, side effects, and risks to the patient. Additionally, we recommend that Congress pass <u>S. 652/ H.R.2630</u>, the Safe Step Act of 2023, which would address arbitrary step therapy protocols by providing a transparent exceptions process.

If you have any inquiries or require further assistance, please do not hesitate to contact Vy Oxman, Senior Associate of Legislative Affairs, at <u>voxman@acponline.org</u>. Thank you again for your dedication to improving this great nation's healthcare landscape.

Sincerely,

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Omar T. Atiq, MD, FACP President

⁴ Keehan S, et al. National Health Expenditure Projections, 2019–28: expected rebound in prices drives rising spending growth. Health Affairs. 2020;39(4).

⁵ Dolinar R, Kohn CG, Lavernia F, et al. The non-medical switching of prescription medications. Postgrad Med. 2019;131:335-341. [PMID: 31081414] doi:10.1080/00325481.2019.1618195