

Letter from House of Representatives to CMS Regarding Avastin Reimbursement

Ms. Charlene Frizzera
Acting Administrator
Centers for Medicare and Medicaid Services
Department of Health and Human Services
445-G, Hubert Humphrey Building
200 Independence Avenue, S.W.
Washington, DC 20201

Dear Acting Administrator Frizzera,

We are writing to express our serious concern about the new Centers for Medicare and Medicaid Services' (CMS) reimbursement code (Q2024) for physicians (including ophthalmologists) who use smaller doses of Avastin for patient treatments. Ophthalmologists nationwide use this drug to treat wet age-related macular degeneration (AMD), a debilitating and potentially blinding condition that affects over 1.75 million Americans. In fact, at least half of the Medicare patient population suffering from AMD is being treated with Avastin.

We urge you to consider the significant consequences of this new code that put physicians, patients and Medicare at serious financial risk. First, the costs to physicians of acquiring Avastin under the new code will be three to four times the proposed reimbursement rate. In 2008 more than 900,000 Avastin injections were provided to patients with wet AMD who are fighting to maintain their eyesight. The financial loss when multiplied to this degree is simply unsustainable for physicians.

As a result of under-reimbursement by this new code, ophthalmologists will be forced to change patients' prescriptions to a similar drug, Lucentis, for which they are fully reimbursed by Medicare. However, Lucentis costs \$2,000 per injection, which is 40 times the cost of Avastin. This will dramatically affect copayment costs of patients, whose treatment requires shots at intervals of four to six weeks for an extended duration. Patient copayments for each of these treatments will increase by 4000%. Clearly, this increased cost to patients is unacceptable. For our constituents living on fixed incomes, this increased cost will be especially devastating and could put their sight at risk if they cannot afford the higher copayments.

Finally, because physicians will now be billing for the more expensive Lucentis instead of Avastin, the cost to Medicare will quickly mount to billions of dollars.

In summary, we applaud your effort to contain costs and address inefficiency, the results of which are good for physicians and good for patients. However, the introduction of this new code forces ophthalmologists to consider financial viability versus patient benefit and significantly increases costs to both Medicare and individual patients.

For the reasons stated above, we strongly urge you to rethink this new code. We must work together to find a solution that will allow patients to continue to receive sight-saving and cost-effective treatment and does not force physicians to adopt more expensive treatment options that will cost Medicare billions of dollars.