POLICY PRIORITY:

Support and defend access to robust, stable coverage and high-quality care in the Medicare program.

Medicare provides essential coverage for seniors as well as some younger people with disabilities.

BACKGROUND:

Medicare is a federal program, created in 1965 to help seniors facing acute medical issues and hospitalization. The program has evolved over the decades since its creation, now encompassing preventive care and chronic condition management (including for some younger Americans with permanent disabilities). Administered by the U.S. Centers for Medicare and Medicaid Services (CMS), Medicare currently provides health coverage to more than 61 million Americans.

While Medicare is a popular program, it is complicated, due to the program's history and structure, and can leave beneficiaries exposed to some troubling gaps in coverage. HFA's policy priorities with respect to Medicare center on preserving the program as a robust form of coverage for people with bleeding disorders; addressing cost and complexity burdens; and advocating for solutions to gaps in coverage.

ISSUES:

- By statute, clotting factor and other bleeding disorders treatments are covered under Medicare Part B, whether self-administered or provided in a clinical setting. **Keeping these products within Part B** assures that Medicare beneficiaries will have continued ability to access necessary treatment in all appropriate settings (home, clinic, or hospital); maintains predictability; and safeguards beneficiaries against risks that their Part D plan might exclude coverage for their prescribed treatments.
- HFA has called on CMS to rescind guidance allowing Medicare Advantage plans to implement **step therapy for Part B drugs** (a category that includes bleeding disorders injectables).
- HFA has opposed proposals to allow formulary limits on **Part D "protected class" drugs** (a group that includes antiretrovirals and immunosuppressants, among others). Permitting Part D drug plans to exclude or restrict coverage of protected class medications would jeopardize beneficiary access to essential drugs and is medically unacceptable.
- HFA has opposed proposals to link the price of Part B drugs to prices paid for those medications overseas (the **"Most Favored Nation" or "MFN"** model). Regulators have acknowledged that the MFN model would save money *by limiting Medicare beneficiary access* to drugs. And yet, despite this acknowledged impact on patient access, evidence is mixed on whether the MFN model would actually produce meaningful cost savings for the Medicare program.[1]
- HFA supported the 2020 enactment of the **Hemophilia SNF Access Act**, and continues to monitor its implementation.This law eliminates reimbursement barriers that have long impeded access to skilled nursing facilities for Medicare beneficiaries affected by bleeding disorders. The statute, effective October 1, 2021, permits SNFs to bill separately for the administration of bleeding disorders medications – meaning that SNFs no longer face the prospect of losing money on each admission of a patient who uses bleeding disorders treatments, and patients no longer face a substantial barrier to access.
- HFA supports efforts to redesign the Medicare Part D prescription drug benefit to reduce financial barriers that limit beneficiary access to treatments: adopting a **cap on copays and coinsurance**, and

[1] https://www.commonwealthfund.org/publications/issue-briefs/2021/may/external-reference-pricing-drug-pricing-reform-america-needs

"smoothing" patient cost-sharing (so OOP drug costs are spread throughout the plan year, rather than hitting all at once).

- HFA supports expanding Medicare to improve access to dental, hearing, and vision benefits in Medicare coverage, as called for in President Biden's FY 2022 budget request.
- Supplemental coverage (e.g., Medigap) provides essential protection against uncapped OOP costs for people with bleeding disorders enrolled in traditional Medicare, and HFA supports efforts to expand access to such coverage. Currently, in most states, private insurers are only required to offer Medigap plans when individuals first become eligible for Medicare. (Some states, indeed, guarantee access to Medigap plans only to people *aging* into Medicare, and not to those who become eligible by virtue of disability.) Outside the initial eligibility window, insurers in most states can "medically underwrite" Medigap plans: they can refuse to sell plans to people with pre-existing conditions, or can charge them more based on their age and health status. Eliminating medical underwriting and **"closing the Medigap gap"** will benefit people with bleeding disorders who become eligible for Medicare by virtue of disability, or who need to purchase supplemental coverage outside their initial window of eligibility.

HFA'S ADVOCACY EFFORTS TO PROTECT MEDICARE COVERAGE:

HFA will continue to engage in advocacy (legislative and regulatory) to ensure that Medicare coverage is comprehensive, simple to navigate, and affordable for all eligible people with bleeding disorders.

HFA will continue to oppose formulary limitations, step therapy, burdensome prior authorization requirements, and other barriers to access.

WHAT CAN YOU DO?

- **Use the resources below to help navigate the complexities of Medicare.**

Resources:

- https://www.medicare.gov/
- www.MedicareResources.org
- https://www.MedicareAdvocacy.org
- Find your State Health Insurance Assistance Program here: https://www.shiphelp.org/
- D. Blumenthal, K. Davis, S. Guterman, "Medicare at 50 – Origins and Evolution," NEJM (2015)