

June 14, 2018

The Honorable Seema Verma
Administrator
Centers for Medicare & Medicaid Services
200 Independence Avenue, SW
Washington, DC 20201

Re: CMS-1694-P: Medicare Program; Hospital Inpatient Prospective Payment Systems for Acute Care Hospitals and the Long-Term Care Hospital Prospective Payment System and Proposed Policy Changes and Fiscal Year 2019 Rates

Dear Administrator Verma:

Thank you for the opportunity to provide our comments on the proposed rule entitled, "Medicare Program; Hospital Inpatient Prospective Payment Systems for Acute Care Hospitals and the Long-Term Care Hospital Prospective Payment System and Proposed Policy Changes and Fiscal Year 2019 Rates" (Proposed Rule). We urge CMS to immediately address the critical underfunding of certain transplants for the Medicare population.

Our organizations represent the bone marrow, peripheral blood stem cell, and cord blood transplant community. Our organizations and colleagues work every day to help patients and their families facing life-threatening blood cancers and other blood disorders obtain the only curative option available: a bone marrow, cord blood, and peripheral blood stem cell transplant (collectively known as hematopoietic stem cell transplants (HCT)). In caring for our patients and assisting their families, we have been experiencing a new and less transparent problem that has threatened access to these transplants.

While advances in transplant medicine have made it possible for older Medicare beneficiaries to clinically benefit from these life-saving transplants, Medicare's current payment policy has created an unnecessary barrier to accessing this curative therapy. Medicare currently provides a single MS-DRG payment for inpatient allogeneic HCT, which is meant to be inclusive of donor search and cell acquisition charges. The FY2018 base payment rate for MS-DRG 014 (Allogeneic Bone Marrow Transplant) is \$69,844. Yet, in 2018, the average costs of acquiring adult donor cells from marrow and peripheral blood stem cells (PBSC) was \$49,426, while the average cost of cord blood was \$64,864. Cell acquisition costs vary and are dependent on clinical factors as well cell source. However, one thing remains clear and problematic: after obtaining the cells, hospitals have very few dollars from the MS-DRG payment, if any, left to cover the inpatient stay, which averages 27 days. Put simply, transplant hospitals are being asked to provide nearly 30 days of high intensity care for these patients for \$20,000 or less.

The lack of adequate reimbursement for HCTs places hospitals in the impossible position when it comes to trying to provide the highest quality care to our patients and places Medicare patient's access to life-saving HCT at risk.

Access to HCTs is critical because it is the only curative treatment option for certain blood cancers, including leukemia and lymphoma, and blood disorders, such as sickle cell disease.

Despite receiving hundreds of comments from patients, providers, and caregivers during the last several years, CMS has not addressed this problem. We are concerned that not updating Medicare's outdated payment policy for HCT will continue to create an access issue for patients in need of a life-saving transplant.

It is important to note that CMS has already acknowledged in the solid organ transplant area that inadequate reimbursement will lead to barriers to accessing transplant. In doing so, it decided to pay for the acquisition cost of solid organs separately from the MS-DRG.

CMS should adopt this same policy approach for HCT. Specifically, CMS could model the reimbursement for cells off of its living kidney donor policy. By separating the costs of cell acquisition from the current MS-DRG payment, CMS could pay for cell acquisition on a reasonable cost-basis apart from the MS-DRG, as it does for other solid organ acquisition costs and kidneys acquired from living kidney donors.

While the HCT community continues to work with the Congress to pass legislation directing the desired outcome, we urge CMS not to wait on the legislative process and to protect access to these life-saving transplants now. Short of that, we request that CMS work directly with the Congress to pass H.R. 4215, the Protect Access to Transplant (PACT) Act, so that it takes effect for FY 2019.

We urge you to immediately address unnecessary life-threatening barrier in Medicare's current payment policy and protect access to HCT.

Sincerely,

AABB

America's Blood Centers

American Society for Blood and Marrow Transplantation

Cancer Transplant Institute

Center for International Blood and Marrow Transplant Research (CIBMTR)

Children's Mercy Hospital

CORD:USE Cord Blood Bank

Dana-Farber Cancer Institute and Brigham and Women's Hospital

Froedtert & The Medical College of Wisconsin

H. Lee Moffitt Cancer Center

Michigan Blood

National Marrow Donor Program/ Be The Match

New York Blood Center

Ochsner Medical Center

Penn State Health Milton S. Hershey Medical Center

Scripps Health

Spectrum Health Cancer Center

Stanford Health Care

Texas Transplant Institute

The Cleveland Cord Blood Center

The University of Alabama at Birmingham Hospital

TriStar Centennial Medical Center

University of Colorado Hospital

University of Minnesota

Wake Forest Baptist Comprehensive Cancer Center