



August 3, 2022

The Honorable Charles Schumer
Leader
United States Senate
Washington, DC 20510

The Honorable Mitch McConnell
Republican Leader
United States Senate
Washington, DC 20510

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable Kevin McCarthy
Republican Leader
U.S. House of Representatives
Washington, DC 20515

Dear Senator Schumer, Senator McConnell, Speaker Pelosi and Leader McCarthy:

As organizations that represent millions of people living with chronic and serious conditions, such as lupus, arthritis, epilepsy, psoriatic disease, and cancer, we are writing to provide our support for specific provisions within the Inflation Reduction Act that are among the most important to our organizations:

- **Out of Pocket (OOP) Cap:** We strongly support a \$2,000 annual out-of-pocket cap in Medicare Part D. An OOP cap is an important step in addressing the affordability challenges faced by the patients we represent, who are among the most vulnerable Medicare beneficiaries and many of whom rely on Part D to meet their medication needs. For these patients with high drug costs, an OOP cap can improve adherence, health outcomes, and health equity.
- **Smoothing:** We support the provisions of the legislation that enable patients to spread those costs out over the course of the plan year. This is a critically important element that, in conjunction with the OOP cap, will help improve access to care and affordability for patients like ours who have high drug costs.

Our organizations are committed to strengthening a smoothing mechanism to include stronger patient protections. For example, beneficiaries should have a minimum grace

period if they are unable to make a payment, have access to a hardship exceptions process and should not be unfairly “locked-out” of smoothing when there are legitimate reasons for missing a payment. The opt-in structure of the smoothing provision could limit patient participation and it will be vital to work with the patient advocacy community to ensure beneficiaries are aware of the smoothing option.

- **Low-Income Subsidy (LIS):** We support provisions that expand full LIS eligibility from those earning 135% of the federal poverty level to 150%. This expansion will help increase affordability and equity. However, more must be done to ensure Part D beneficiaries are aware of and are able to access these benefits. Our organizations are committed to raising awareness of LIS and facilitating enrollment, and we encourage Congress and others to partner with the patient advocacy community in this effort.
- **Cost-Sharing for Vaccines:** We support provisions to eliminate cost-sharing for vaccines. The COVID-19 pandemic has underscored the important role vaccines play in public health and it’s critical that we remove financial obstacles to vaccines.
- **ACA Subsidies:** We support provisions to provide a three year extension of the enhanced Affordable Care Act (ACA) subsidies. These subsidies have enabled millions of Americans, including those living with chronic and serious conditions, to access health insurance through the Marketplace when they otherwise would become uninsured or underinsured.
- **Medicaid Coverage Gap:** We are disappointed that the Inflation Reduction Act does not address several other priority issues, including the Medicaid Coverage Gap. Medicaid is a lifeline for many of those with chronic conditions and particularly those from marginalized communities who otherwise would not have access to quality and affordable health care. However, more than two million Americans living in states that did not expand Medicaid eligibility currently lack access to Medicaid. It is imperative that Congress act to close the Medicaid coverage gap, which in addition to improving overall access to care, will help to increase health equity.

While the Inflation Reduction Act includes many provisions that our organizations strongly support, including those listed above, we are concerned that insurers may respond to certain provisions in the bill by choosing to limit access to needed treatments including, through inappropriate utilization management, narrower formularies, or more burdensome appeals processes. As Congress works to expand access and limit financial barriers to care, it is important that other barriers not be created and that patient protections are in place that preserve access to needed care. One way in which Congress can do this is to reinvest savings achieved by reconciliation and direct those resources towards continued improvements to patient access and affordability and to hold the Centers for Medicare and Medicaid Services accountable for any changes they may implement that create barriers to appropriate care. We stand ready to work with Congress to address these concerns, which are so critical to the patients we represent.

We appreciate the opportunity to share our views with you and look forward to continuing to work with you and stakeholders across the health care community to ensure patients have access to quality and affordable health care. If you have any questions or if we can be of assistance to you or your staff,

please contact Pat Wildman, Sr. Vice President of Advocacy & Government Relations, Lupus Foundation of America, at wildman@lupus.org or 703-927-0349

Sincerely,

Arthritis Foundation
Crohn's and Colitis Foundation
Epilepsy Foundation
Lupus Foundation of America
National Psoriasis Foundation
The AIDS Institute