

DATE

The Honorable Alex Azar  
Secretary  
U.S. Department of Health and Human Services  
200 Independence Avenue, SW  
Washington, DC 20201

The Honorable Seema Verma  
Administrator  
Centers for Medicare & Medicaid Services  
U.S. Department of Health and Human Services  
7500 Security Boulevard  
Baltimore, MD 21244

Re: Appropriate and Timely Payment for Chimeric Antigen Receptor (CAR) T-cell Therapies for Medicare Inpatients

Dear Secretary Azar and Administrator Verma:

We write regarding the Centers for Medicare & Medicaid Services (CMS) FY 2019 Medicare Hospital Inpatient Prospective Payment System (IPPS) proposed rule, and to provide comment on the proposal related to reimbursements for Chimeric Antigen Receptor (CAR) T-cell therapies. We appreciate CMS's interest in this issue and urge you to engage with the stakeholder community to identify and establish an appropriate Medicare payment mechanism that covers the cost of providing CAR T-cell therapies to beneficiaries at both Prospective Payment System (PPS) and PPS-exempt cancer hospitals prior to finalizing this section of the rule.

Collectively, we represent many of the most sophisticated academic medical centers across the country, a select few of which are currently qualified to offer CAR T-cell therapy, and several of which hope to in the future. As you know, CAR T-cell therapies are groundbreaking developments in cancer treatment that are expected to result in many patients achieving permanent remission of their cancer. These innovative treatments are a tremendous victory in the fight against cancer and it is important to ensure that individuals on Medicare have timely access to them.

First, we'd like to thank you for the initial steps that CMS took in its FY 2019 Medicare Hospital IPPS proposed rule to offer new approaches to ensuring that hospitals offering CAR T-cell therapy are paid appropriately for the costs of providing this life-saving treatment. However, we have heard from hospitals in our states that are already offering this therapy that the policies in the proposed rule are not enough to allow hospitals to continue to provide these groundbreaking therapies for Medicare patients, much less encourage other providers to do so.

We are concerned that if the right steps are not taken in the short term to address the current shortfall in Medicare payments for these therapies, hospitals may stop offering CAR T-cell therapies to Medicare beneficiaries, or be unable to offer the next breakthrough treatments in immunotherapy.

In order to support the innovations of today and tomorrow, we respectfully request CMS take the following actions:

- Finalize a rule for FY2019 that provides appropriate Medicare payments to hospitals to cover the cost of this therapy, including both the cost of the drug itself and services associated with the treatment. Solutions must meet the needs of both traditional PPS and PPS-exempt cancer hospitals, as both types of hospitals are among the pioneers of this treatment.
- Coordinate with relevant stakeholders to develop a Medicare payment process that will accommodate future CAR T-cell therapies and other immunotherapy treatments, in addition to therapies for other diseases that personalized for each patient. By identifying a more concrete approach, we believe that the Department can develop a sustainable path forward to support CAR T-cell therapies and other personalized medicines.

CAR T-cell therapies represent what the future of medicine has to offer, therefore we urge you to finalize a proposal that outlines a path forward for reimbursing complex and life-saving treatments like these. By supporting appropriate CAR T-cell therapy Medicare payments for the immediate and long-term future, we believe that we can ensure that our hospitals can continue to provide innovative treatments to patients for years to come.

We thank you for your consideration and look forward to working with you to ensure appropriate payments for CAR-T therapies and future immunotherapy treatments.

Sincerely,

---

Rob Portman  
United States Senator

---

Sherrod Brown  
United States Senator

---

Marco Rubio  
United States Senator

---

Bill Nelson  
United States Senator