



## Talking Points

### Closing the Gap Between ASP Reimbursement and a Services Payment for Medicare Part B DME Infusion Drugs

- On December 13, 2016, President Obama signed the *21st Century Cures Act* into law with two provisions that significantly affect the home infusion community.
  1. Sections 5004(a) changes the payment structure for infusion drugs under the Medicare Part B Durable Medical Equipment (DME) benefit from an Average Wholesale Price (AWP) metric to an Average Sales Price (ASP) payment methodology. The move from AWP to ASP took effect on January 1, 2017.
  2. A second provision contained in the *Cures Act*, section 5012, establishes a reimbursement structure, based largely on provisions contained in the *Medicare Home Infusion Site of Care Act*, for the professional services associated with Part B DME infusion drugs to take effect in 2021.
- The four-year gap between the January 1, 2017, implementation of ASP and the implementation of the infusion services payment in 2021 jeopardizes the accessibility of home infusion therapy for Medicare beneficiaries receiving Medicare Part B DME infusion drugs during the gap, particularly vulnerable patients on inotropic therapy for heart failure and subcutaneous immunoglobulin therapy for primary immunodeficiency diseases.
- Under the AWP metric for infusion drugs, the payment was sufficient to cover the professional services integral to delivering infusion therapy at home. Under the new ASP methodology, the reimbursement is no longer sufficient to cover infusion services, creating an unsustainable financial hole that takes away many infusion provider's ability to service patients in their homes.
- It is well recognized and accepted that infusion therapy in the home is one of the safest, effective, and least expensive sites of care. The Medicare program is likely to encounter a cost increase in patient care as home infusion patients are forced to seek treatment in other sites of care such as hospitals, skilled nursing facilities, or other institutional settings that could also expose already vulnerable patients to further risk.
- The four-year gap needs to be closed to ensure beneficiaries have access to the critical drugs that are provided under the Medicare Part B DME benefit. NHIA and the home infusion

community are working to close the gap between ASP reimbursement and Part B DME coverage of home infusion drugs and to attain a service payment for Part D infusion drugs.

- NHIA is requesting that Congress move early in 2017 to align the effective dates of ASP reimbursement for Part B DME infusion drugs [Section 5004 (a)] and the infusion services payment [Section 5012] of the *21<sup>st</sup> Century Cures Act*.
- The reimbursement gap brought about by the *21<sup>st</sup> Century Cures Act* represents a step back from the stated goals of Congress to provide low-cost, high-quality care to beneficiaries in the Medicare program.
- Health care providers and partners, patient advocates, medical societies and associations, and Medicare beneficiaries and their caregivers, among others, can act to close the reimbursement gap. Visit the National Home Infusion Association (NHIA) [ASP website](#) for more information.