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April 12, 2021

The Honorable Xavier Becerra
U.S. Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC 20201

Dear Secretary Becerra,

On behalf of the [Alliance for Aging Research](http://www.agingresearch.org) (the Alliance) and the millions of older Americans and people with disabilities for whom we advocate federal policies and programs to protect and promote their health and well-being, I am writing to express my congratulations on your confirmation as Secretary of the U.S. Department of Health and Human Services (HHS). We are so pleased to have you heading the Department and stand ready to work with you and your staff to ensure that older Americans and people with disabilities have access to the information, care, services, and treatments they need to live their healthiest lives possible. We know that as you take office, you face many challenges associated with the public health emergency and myriad other issues requiring your attention. To that end, we are eager to be a resource for you during your tenure and welcome the opportunity to collaborate on shared interests and priorities.

The Alliance is the leading nonprofit organization dedicated to accelerating the pace of scientific discoveries and their application to vastly improve the universal human experience of aging and health. We believe advances in research help people live longer, happier, more productive lives and reduce healthcare costs over the long term. For more than 30 years, the Alliance has guided efforts to substantially increase funding and focus for aging at the National Institutes of Health and Food and Drug Administration; built influential coalitions to guide groundbreaking regulatory improvements for age-related diseases; and created award-winning, high-impact educational materials to improve the health and well-being of older adults and their family caregivers.

Policies to Support Healthy Aging

We understand that a top healthcare priority for the Administration will be addressing the costs of prescription drugs. The Alliance is the convening organization of a campaign called [Project Lower Out-of-Pocket \(LOOP\)](#), which advocates for policies that will improve Part D prescription drug affordability for older adults and people with disabilities.

We respectfully urge you and policymakers in Congress to take swift action to advance policies that will reduce out-of-pocket costs at the pharmacy counter for Medicare beneficiaries and expand access to much-needed additional services. Specifically, we ask your active support for:

- Capping annual out-of-pocket costs under Medicare Part D;

- Instituting a "smoothing mechanism" under Part D, which would allow beneficiaries to spread out high upfront costs over a plan year;
- Expanding eligibility for the Part D Extra Help Low-Income Subsidy (LIS) program;
- Requiring prescription drug manufacturers to pay a penalty to Medicare on sales to Part B or Part D beneficiaries when a drug's list price increases faster than inflation;
- A requirement that Part D plans share a portion of rebates at the point of sale to lessen cost burden for medications and promote adherence;
- Strengthening the Part D appeals process and other patient protections, so beneficiary access is maintained; and
- Expanding Medicare coverage to include dental, vision, and hearing services.

Moreover, to ensure older Americans and those with disabilities who are served by the Medicare program have access to the prescription therapies their health care providers deem are necessary for their health and well-being, we urge you to:

- Discard the International Pricing Index (IPI) construct and – as outlined in the [2020 Democratic Platform](#) – reject the use of Quality-Adjusted-Life-Year (QALY). The IPI effectively endorses the use of cost-effectiveness standards that are tied to QALYs. The methodology of QALYs includes a core methodological bias that leads to discrimination and rationing when used to assess treatments focused on older adults, [individuals with disabilities](#), and [minority populations](#);
- Oppose utilization of step therapy and prior authorization, which create significant barriers for patients who need access to therapies their health care providers prescribe for them; and
- Decline consideration of analyses by the [Institute for Clinical and Economic Review \(ICER\)](#), which rely on inappropriate Quality Adjusted Life-Year (QALY) thresholds to make value judgments on drugs and other clinical options and have numerous other flaws (as indicated above).

As you know, older adults can face substantial out-of-pocket health care costs each year for insurance premiums, deductibles, and cost-sharing; physician and clinic visits; hospital stays; and other essential health care procedures, medical devices, and services that are not covered, such as vision, dental, and hearing-related services. The totality of these out-of-pocket costs can be insurmountable for older adults who often have multiple chronic and life-threatening diseases, especially for the [one in two Medicare beneficiaries living on an annual per capita income of less than \\$26,200](#). We as a nation must take action to help reduce the out-of-pocket cost of care and prescription drugs for all Americans, particularly older individuals and those with chronic disease and disabilities.

Again, we congratulate you on your confirmation and offer our organization as a partner and resource in the important work that lies ahead. If you have questions or if we can be of assistance, please do not hesitate to contact me or Michael Ward, Vice President of Public Policy (mward@agingresearch.org).

Sincerely,



Susan Peschin, MHS
President and CEO