

July 13, 2003

Attention: Mr. Joel White  
House Ways and Means Committee  
Fax: 202-226-1765

Dear Mr. White:

The Pennsylvania Biotechnology Association represents over 100 bio-pharmaceutical companies in the Commonwealth of Pennsylvania. As the only statewide trade association for this industry in Pennsylvania, we are very interested in the pending Medicare prescription drug coverage legislation. We applaud your efforts and lend our support to this important effort to expand Medicare benefits to our senior citizens.

As you know, millions of Medicare patients already benefit from drugs and biologics administered in the physician office setting. We support efforts to reform the Part B drug and biologic reimbursement structure to more accurately reflect the true costs of administering these therapies in the physician's office.

Specifically, we support your approach to restructure the system to allow for increased practice expense payments to physicians, while also allowing for a competitive bidding environment for Medicare to pay for these drugs and biologics. However, it is critically important that you resolve the inequity of practice expense payments for non-oncology infused biologics that have the same resource consumption and risks associated with them as infused chemotherapy treatments. Without a fix to this portion of the legislation, there could be a very dramatic negative impact upon patient access to important life altering biologic therapies.

We hope that you will support a statutory change to the language which states:

**"CMS shall establish the practice expense relative value units for the administration of non-oncology biotechnology-derived therapeutic products at the same practice expense level as the administration of antineoplastic agents to patients with a diagnosis of cancer."**

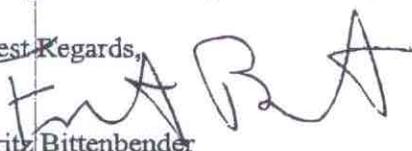
And a change to the Report language which states:

**It has come to our attention that a number of complex biotechnology products used to treat a variety of non-oncology related diseases have administration costs, associated safety issues, and infusion times, that are comparable to chemotherapy therapies for cancer treatment. Accordingly, we ask that CMS set the practice expense payments at the same level for these biologics as chemotherapies that have similar resource consumptions.**

By making these changes, you will insure much greater patient access to very important biologic therapies.

Congratulations on your tremendous efforts to bring a prescription drug benefit to senior citizens.

Best Regards,



Fritz Bittenbender  
President

Pennsylvania Biotechnology Association