



**AMERICAN ACADEMY of
DERMATOLOGY | ASSOCIATION**

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June 4, 2019

The Honorable Frank Pallone
Chairman
House Energy & Commerce Committee
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Greg Walden
Ranking Member
House Energy & Commerce Committee
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Richard Neal
Chairman
House Ways & Means Committee
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Kevin Brady
Ranking Member
House Ways & Means Committee
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Pallone, Ranking Member Walden, Chairman Neal and Ranking Member Brady:

The American Academy of Dermatology Association (Academy), which represents more than 13,800 members nationwide, appreciates the opportunity to respond to the House Energy & Commerce and House Ways & Means Committees' request for information regarding proposed Medicare Part D legislation intended to help lower prescription drug costs for patients in the Part D program. Dermatologists diagnose and treat more than 3,000 diseases, including skin cancer, psoriasis, immunologic diseases and many genetic disorders. One in four Americans suffers from a skin disease.

As you consider this legislation, the Academy requests that you also consider measures to address the role of prior authorization (PA) on patients' access to prescription drugs. As you know, PA is a utilization management tool frequently used by payers that can effectively delay treatment and care to patients. The Academy appreciates that the 115th Congress authorized the Department of Health and Human Services (HHS) to create a standard electronic prior authorization (ePA) form for Medicare Part D and Medicare Advantage (SUPPORT for Patients & Communities Act, Section 6062, P.L. 115-271). However, more needs to be done to reduce barriers to treatment and care.

Dermatologists are committed to providing the most effective and cost-efficient care and therapies to their patients, especially for patients suffering from chronic and disabling skin conditions. For many of these skin diseases and conditions, medications are specialized, highly nuanced and their efficacy is dependent on several patient factors. PA policies that place a third party, with no knowledge of the complexity or full history of a patient's condition, in a decision-making position are not only inappropriate but they also impede a patient's access to the most effective treatment, and delay can cause irreparable harm to patients in need of specific treatments. The choice of therapy should be between a physician and his or her patient where consideration of all factors – efficacy and safety of all the treatment options, co-morbidities, and support system – are

George J. Hruza, MD, MBA, FAAD
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considered and fully discussed and vetted. PA and appeals policies should not unduly burden physicians or patients in accessing optimal drug therapy.

Physicians are facing significant burdens meeting Medicare Part C and D plans' PA requirements for medically necessary drugs. The American Medical Association (AMA) released the results of a 2018 PA [survey](#) that showed 65% of physicians reported waiting at least one day for PA decisions, while 28% reported waiting at least three business days. Additionally, 75% of physicians reported that PA can lead to treatment abandonment. Moreover, 91% of physicians indicated that PA can have a negative impact on clinical outcomes, including 28% that indicated PA had led to a serious adverse event such as death, hospitalization, disability, permanent bodily damage or another life-threatening event.

The AADA recommends requiring CMS to alleviate this burden by requiring Medicare Advantage and Medicare Part D participating plans to shorten the turnaround time for PAs and to extend the length of the PA appeals period. The AADA also recommends that CMS encourage plans to provide detailed explanations for PA denials, including the clinical rationale, provide the plan's covered alternative treatment, and provide details on the provider's appeal rights. Relief from PA should also be considered for providers with ordering and prescribing patterns that align with evidence-based guidelines and high PA approval rates.

Physicians also have difficulties in accessing the requirements for specific plans. Therefore, the AADA recommends requiring plans to make the following information available in a searchable electronic format – the PA requirements, necessary documentation and information necessary for completing a PA and the telephone number for physicians and their staff to call regarding PAs (not the main PA line). Additionally, the AADA recommends that all exceptions decisions be made by a provider who is of the same specialty, and subspecialty, whenever possible, as the prescribing / ordering provider.

The AADA strongly recommends payers apply the “Prior Authorization and Utilization Management Principles” (attached) developed and adopted by the AADA, AMA, other physician organizations, pharmacists and patients to utilization management programs for both medical and pharmacy benefits.

Preserving and improving patients' access to affordable treatments and promoting transparency in drug pricing is a top priority for the Academy. We appreciate your leadership in championing important patient access issues. Please feel free to contact Christine O'Connor, the Academy's Associate Director, Congressional Policy at coconnor@aad.org or (202) 609-6330 or Michelle Mathy, the Academy's Assistant Director, Political & Congressional Affairs at mmathy@aad.org or (202) 609-6333 if you have any questions or if we can provide additional information.

Sincerely,

A handwritten signature in black ink that reads "George Hruza". The signature is written in a cursive style with a large, sweeping initial "G".

George J. Hruza, MD MBA FAAD
President, American Academy of Dermatology Association