

**Congress of the United States**  
**Washington, DC 20515**

June 8, 2016

Mr. Andy Slavitt  
Acting Administrator  
Centers for Medicare & Medicaid Services  
U.S. Department of Health & Human Services  
Room 445-G, Hubert H. Humphrey Building  
200 Independence Avenue, S.W. Washington, D.C. 20201

Dear Acting Administrator Slavitt:

The use of step therapy is common and growing among private and public payers. In 2013, 67 percent of employer sponsored health insurance plans reported that they had implemented step therapy policies, an increase from 27 percent in 2005. While we recognize that step therapy has at times been an effective practice that helps control costs throughout the healthcare sector, we want to ensure that the practice is not being used at the expense of patient health and well-being.

In some instances, step therapy protocols may provide appropriate and affordable drug treatments, however, in some cases it could have the opposite effect. Prolonging ineffective treatment and preventing patients from starting treatments recommended by their physician or health care provider in a timely manner can lead to poorer health outcomes and increased costs for patients and the health care system.

Too often, Federal policy focuses on short-term savings instead of long-term costs. The same is true of the healthcare system: early investments in preserving health can lower the long-term costs—especially for patients dealing with chronic diseases like rheumatoid arthritis, psoriatic arthritis, multiple sclerosis, diabetes, inflammatory bowel disease, cancer and mental health, among others. In a study comparing spending on schizophrenia medications in Georgia's Medicaid program, step therapy saved the state \$19.62 per member per month in pharmacy spending but these savings were accompanied by a \$31.59 per member per month increase in expenditures for outpatient costs.<sup>1</sup> When patients receive the right medicine at the right time, as determined by their physician, there are reduced complications, fewer follow up visits, and potentially greater savings to the healthcare system.

When implemented appropriately, step therapy can be an effective tool to ensure patients receive cost effective care. However, we should ensure that physicians have the ability to prescribe what they believe to be the most appropriate and effective medicine for each patient. Under your authority to oversee the Medicare program, we ask that you work to ensure that step therapy

protocols are open and transparent, do not create a barrier to access, and do not take prescribing power out of the hands of physicians.

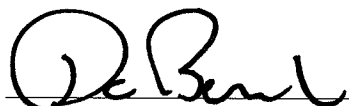
Sincerely,



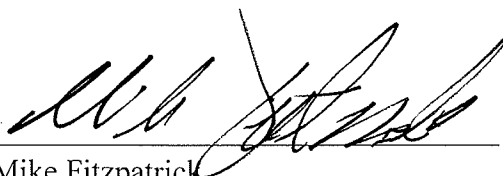
Leonard Lance  
Member of Congress



Scott Peters  
Member of Congress



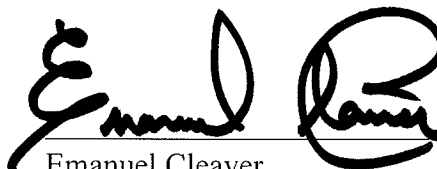
Dan Benishek, M.D.  
Member of Congress



Mike Fitzpatrick  
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H. Morgan Griffith  
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Peter King  
Member of Congress



Tom Price, M.D.  
Member of Congress

<sup>1</sup>Farley, J. et al., "Retrospective assessment of Medicaid step-therapy prior authorization policy for atypical antipsychotic medications," *Clinical Therapeutics*, 30: 1524-1539, 2008.