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PLASMA PROTEIN THERAPEUTICS ASSOCIATION JOINS STAKEHOLDERS TO URGE FOR APPROPRIATE HOSPITAL OUTPATIENT REIMBURSEMENT

ANNAPOLIS, MD—Sept. 8, 2008— The Plasma Protein Therapeutics Association (PPTA) supports the recommendation of the Centers for Medicare and Medicaid Services’ (CMS) Advisory Panel on Ambulatory Payment Classification (APC) Groups to maintain the reimbursement rate of average sales price (ASP) +5 percent for drugs administered or dispensed in the hospital outpatient setting at its August 27-28, 2008 meeting. This is an important step in assuring access to plasma protein therapies for Medicare beneficiaries suffering from debilitating chronic and genetic diseases and disorders. Plasma protein therapies refer to both plasma-derived and recombinant analog blood clotting factors, as well as alpha-1 proteinase inhibitor and immune globulins.

In July 2008, CMS proposed to pay for the acquisition and pharmacy overhead costs of separately payable non-pass-through drugs and biologicals, including plasma protein therapies, at ASP +4 percent for CY2009 in the hospital outpatient prospective payment system. PPTA believes that CMS’ proposal would exacerbate existing difficulties with access to critical therapies for individuals with primary immunodeficiency diseases and alpha-1 antitrypsin deficiency, a genetic lung disease.

Although the APC Panel’s recommendation is an important first step on the way to preserving patient access to life-saving therapies, PPTA hopes that in finalizing its rule for CY2009, CMS will restore the payment level to ASP +6 percent, which would be consistent with reimbursement of these drugs in the physician office setting. PPTA joined with other stakeholders in presenting to the APC Panel strong evidence that illustrated that setting the payment rate to ASP +4 percent was based in part on flawed hospital claims data and is insufficient to assure patient access.

For a copy of PPTA’s written testimony, please contact Kym Kilbourne at 443-995-2102 or kkilbourne@pptaglobal.org. More information about PPTA can be found at www.pptaglobal.org. The APC Panel recommendation can be found online at: http://www.cms.hhs.gov/FACA/Downloads/Final_Recommendations_9-4-2008.pdf.

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The Plasma Protein Therapeutics Association (PPTA) is the trade association and standard setting organization for the world’s major producers of plasma-derived and recombinant analog therapies (collectively, “plasma therapies”). These therapies are used by more than 1 million people worldwide each year to treat a variety of diseases and serious medical conditions. PPTA members produce over 80 percent of the plasma therapies for the United States market and more than 60 percent worldwide. Some of the critical therapies produced by PPTA members include: blood clotting factors for people with hemophilia, intravenous immune globulin used to prevent infections in people with immune deficiencies and other serious conditions, and alpha-1 proteinase inhibitor used to treat people with alpha-1-antitrypsin deficiency, also known as genetic emphysema.