



November 17, 2017

The Honorable David McKinley
2239 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Mike Thompson
231 Cannon House Office Building
Washington, D.C. 20515

Dear Representative McKinley and Representative Thompson:

I am writing on behalf of Vizient, Inc. to offer our support for your bipartisan legislation (H.R. 4392) that would prevent the Centers for Medicare and Medicaid Services (CMS) from implementing dramatic reimbursement cuts for prescription drugs purchased through the 340B drug discount program.

Vizient is the nation's largest health care performance improvement company. We serve a diverse membership that includes academic medical centers, pediatric facilities, community hospitals, integrated healthcare delivery networks and non-acute health care providers. Our headquarters are in Irving, Texas, with locations in Chicago, Washington, D.C., and other cities across the country.

In the outpatient prospective payment system rule for 2018, CMS finalized a proposal that will reduce Medicare reimbursement for prescription drugs purchased through 340B drug discount program for most eligible hospitals from the average sales price (ASP) plus 6 percent, to ASP minus 22.5 percent. CMS elected to move forward with this dramatic change despite opposition from a bipartisan majority of members in the House and the Senate.

Vizient, along with hospitals throughout the country, also weighed in with CMS urging them to rescind this damaging proposal. The 28.5 percent reimbursement reduction will severely undermine the intent of the 340B program and have a negative financial impact on 340B eligible hospitals. Implementing the rule could harm access to care for the nation's most vulnerable population and threaten the ability of hospitals to continue to provide a number of vital services in underserved communities.

We applaud the introduction of your legislation to prevent CMS from moving forward with this payment reduction, and offer our strong endorsement of H.R. 4392.

Please do not hesitate to contact me at Shoshana.Krilow@Vizientinc.com or (202) 354-2607 if you have any questions about Vizient or if there is any way we can be of assistance in advancing this bill.

We thank you for your continued support for hospitals across the country.

Sincerely,

A handwritten signature in black ink that reads "Shoshana Krilow". The signature is fluid and cursive.

Shoshana Krilow
Vice President, Public Policy and Government Relations