



January 31, 2024

Michelle Maldonado, Chair  
House Labor and Commerce Subcommittee #1  
House Committee Room A – 008  
General Assembly Building  
900 E Main St  
Richmond, VA 23219

Dear Chair Maldonado and Members of House Labor and Commerce Subcommittee #1,

The Virginia Association of Hematologists and Oncologists (VAHO) and the Association for Clinical Oncology (ASCO) are committed to supporting policies that reduce cost while preserving access to quality cancer care. We are concerned, however, that the upper payment limits set by HB 570 would jeopardize access to necessary care for Virginia patients with cancer. We appreciate your commitment to lowering costs and would like to work with you on the best path forward for patients who face this life-threatening disease.

VAHO is a professional organization whose mission is to help foster the highest quality of cancer care in the state of Virginia. VAHO members are a community of oncologists, nurse practitioners, physician assistants and other allied health professionals deeply involved in care of our cancer patients. ASCO is a national organization representing physicians who care for people with cancer. With nearly 50,000 members, our core mission is to ensure that cancer patients have meaningful access to high quality, equitable cancer care.

Life-saving treatments for cancer often include use of high-cost drugs, the very ones targeted by the prescription drug affordability board under HB 570. We are concerned that over time, the upper payment limit as proposed could impact access to care. Under the upper payment limit proposal, physician practices would be reimbursed the amount they pay to purchase the drug, with no reimbursement to cover the significant costs associated with drug treatments in physicians' offices, including the cost of procuring, storing, preparing, and handling the drugs. We recommend that the bill include an add-on payment to help offset the actual costs incurred for procuring, storing, preparing, and handling highly toxic agents. Medicare and private market reimbursement for physician-administered drugs includes an add-on payment to cover costs associated with drug treatments in physician's offices. Without an add-on payment for drugs subject to an upper payment limit within state regulated plans, oncology practices could face a large financial burden that puts them at risk of closure. Patients could face delays in care or have to travel long distances for treatment.

Oncologists do not set or control drug prices; they offer their patients the most appropriate, evidence-based treatment that will ensure the best outcome for an individual cancer patient and their specific disease. Cancer patients are uniquely vulnerable and often have a narrow window of time for a

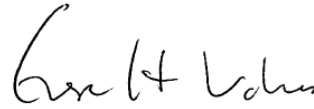
successful outcome. If patients must endure a 60-day appeals process before they can access a drug subject to an upper payment limit that a manufacturer does not comply with, some of Virginia's sickest patients will suffer severe consequences.

VAHO and ASCO are concerned that the upper payment limit language in HB 570 will have a harmful impact on cancer care providers in Virginia and the patients they treat. We urge you to consider the unintended consequences of this legislation. For a more detailed understanding of our recommendations on this issue, we invite you to read the [ASCO Position Statement on Addressing the Affordability of Cancer Drugs](#). If you have questions or would like assistance on any issue involving the care of individuals with cancer, please contact Sarah Lanford at [Sarah.Lanford@asco.org](mailto:Sarah.Lanford@asco.org).

Sincerely,



Richard Ingram, MD  
President  
Virginia Association of Hematology and Oncology



Everett E. Vokes, MD, FASCO  
Chair of the Board  
Association for Clinical Oncology