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January 26th, 2016

BY ELECTRONIC DELIVERY

Senator Johnny Isakson
Senate Committee on Finance
131 Russell Senate Office Building
Washington, D.C. 20510

Senator Mark Warner
Senate Committee on Finance
475 Russell Senate Office Building
Washington, D.C. 20510

**RE: U.S. Senate Committee on Finance: Bipartisan Chronic Care Working Group
Policy Options Document**

Dear Senators Isakson and Warner:

Eli Lilly and Company (Lilly) appreciates the opportunity to provide input to the U.S. Senate Committee on Finance's Bipartisan Chronic Care Working Group Policy Options Document on ways to improve outcomes for Medicare patients with chronic conditions. Lilly is one of the country's leading innovation-driven, research-based pharmaceutical and biotechnology corporations. Our company is devoted to seeking answers for some of the world's most urgent medical needs through discovery and development of breakthrough medicines and technologies and through the health information we offer. Ultimately, our goal is to develop products that save and improve patients' lives.

To that end, we first commend the Working Group for launching this important and much needed effort to improve chronic care through the many policies described within your options document. We wish to provide feedback that we believe would help guide your effort, and provide input on two options we feel are particularly significant for which you have solicited comment:

Establishing a One-Time Visit Code Post Initial Diagnosis of Alzheimer's/Dementia or Other Serious or Life-Threatening Illness: The Working Group should move forward with the policy option to dedicate a specific payment code for physicians to discuss treatment options with patients post initial diagnosis of Alzheimer's/Dementia or other Serious Illnesses.

Lilly supports the Working Group's proposal of dedicating a specific payment code that recognizes the additional time needed to have conversations with beneficiaries who have received a diagnosis of a serious or life-threatening illness, such as Alzheimer's/Dementia (AD). Lilly shares the Working Group's goal of reducing patient health risks and promoting self-management by instituting a physician/patient opportunity to discuss the new diagnosis, the progression of the disease, treatment options, and the

availability of other resources. Life-threatening illnesses such as Alzheimer's/Dementia are unpredictable and devastating. Aside from the profound human toll, dementia has been shown to have the most expensive healthcare-related cost of care during the last five years of life, with mean adjusted total health care spending per patient at \$287,038 over this time¹. These costs significantly exceed the total costs incurred for heart disease or cancer in the last five years of life (\$175,136 and \$173,383, respectively). In the near future, the AD treatment paradigm has the potential to shift from a current focus on symptom relief to an actual slowing of disease progression. These potential advances make early engagement and improved communication between physicians and patients essential in reducing AD-related health risks and mitigating this cost burden over time.

Study on Medication Synchronization: The Working Group should move forward with the proposed medication synchronization study as an important step towards improving adherence rates and promoting patient safety for individuals taking multiple medications.

The proposed medication synchronization study would be an important approach towards better identifying barriers in the way of a more streamlined prescription refill experience for patients. Medication Synchronization programs serve to minimize extra trips to the pharmacy and can improve adherence rates in the process². Synchronizing a patient's medications would enable a pharmacist to review all prescriptions a patient may be taking at one time, which also creates an opportunity for more coordinated counseling and support. Better adherence can have a significant positive impact on patient care and reduce costs over the long term. As recognized in a study from the Congressional Budget Office (CBO)³, adherence to, and appropriate utilization of, prescribed therapies could result in reduction in Medicare's spending on medical services. Medication synchronization is also a currently underrepresented area of study, which reinforces the need to move forward with this proposal.

In addition, Lilly would like to express its support for the comments provided to the Chronic Care Working Group by the Pharmaceutical Research and Manufacturers of America (PhRMA) and the Biotechnology Innovation Organization (BIO).

Lilly looks forward to the possibility of working with the Senate Finance Committee as it moves forward to develop policy and legislative options to help the Medicare program improve the care of beneficiaries with chronic conditions.

If you have any questions, please do not hesitate to call Sean Donohue at 202-434-7169.

Sincerely,



Sean Donohue
Senior Director, Federal Health Affairs

¹ Source: The Annals of Internal Medicine. "The Burden of Health Care Costs for Patients With Dementia in the Last 5 Years of Life". November 2015. <http://annals.org/article.aspx?articleid=2466364>.

² Source: Journal of the American Pharmacists Association. "Adherence and persistence associated with an appointment-based medication synchronization program". December 2013.

³Source: Congressional Budget Office. "Offsetting Effects of Prescription Drug Use on Medicare's Spending for Medical Services," November 2012, p.1. CBO's study estimated that a one percent increase in the number of prescriptions filled by beneficiaries would cause Medicare's spending on medical services to fall by about one-fifth of one percent.