



November 14, 2023

The Honorable Charles E. Schumer
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Mitch McConnell
Republican Leader
United States Senate
Washington, DC 20510

The Honorable Mike Johnson
Speaker
U.S. House of Representatives
Washington, DC 20510

The Honorable Hakeem Jeffries
Democratic Leader
U.S. House of Representatives
Washington, DC 20510

Dear Leader Schumer, Leader McConnell, Speaker Johnson, and Leader Jeffries:

The American Hospital Association and American Society of Health-System Pharmacists write to you today on behalf of the nation's hospitals and health systems as well as its pharmacists, student pharmacists, and pharmacy technicians with serious concerns that proposed site-neutral legislation in the House and Senate could reduce access to patient care and jeopardize patient safety.

Proposals to reduce reimbursements for drug administration services in hospital outpatient departments (HOPDs) inappropriately equate care provided in these hospital clinics with less complex care provided at freestanding physician offices. The care is not equivalent, and current payment rates take into account these important differences.

As highlighted in the attached chart, hospitals are required to take many additional measures to make certain that medications are prepared and administered safely while also providing important care coordination services for their patients. For example, unlike other sites of care, hospitals must take steps to ensure that a licensed pharmacist supervises drug preparation, rooms are cleaned with positive air pressure to prevent microbial contamination, and employees are protected from exposure to hazardous drugs. In addition, hospitals must remain in compliance with important safety standards such as those required by the Food and Drug Administration, U.S. Pharmacopeia, and The Joint Commission.

We are concerned that these proposed policies will force hospitals and pharmacists to scale back some of the critical services they are able to provide to their patients. Given that Medicare beneficiaries who seek care in HOPDs are more likely to be sicker and more medically complex than those treated at independent physicians' offices, this may result in reduced access to care for some of our most medically vulnerable patients.

We urge you to oppose any policies that fail to take into account the costs of safely providing medication administration services to the complex patients hospitals serve.

REJECT SITE-NEUTRAL PAYMENT FOR LOWER STANDARDS OF INFUSION CARE

Infusion sites do not provide equivalent care. Hospital payment rates must be sufficient to support the higher standard of care that Centers for Medicare & Medicaid Services and other regulators require hospitals to meet for drug administration.

Site-neutral payment should apply only to infusion sites that meet the same rigorous standards for safe drug preparation, safe administration, care coordination, and oversight requirements as hospitals do.

REQUIREMENTS		HOSPITAL	PHYSICIAN OFFICE	FREE-STANDING SITE
SAFE PREPARATION	Clean room with positive air pressure to prevent microbial contamination	✓	✗	✗
	Environmental sampling to ensure sterile conditions	✓	✗	✗
	Drug preparation supervised by a licensed pharmacist	✓	✗	✗
	Employee protections from exposure to hazardous drugs	✓	✗	✗
	Drug Supply Chain Security Act rules prevent use of counterfeit or mishandled drugs	✓	✗	✗
SAFE ADMINISTRATION	Drug barcoding and EHR integration reduce administration errors	✓	✗	✗
	Hospital pharmacist confirms safe dosing and checks for drug-drug interactions	✓	✗	✗
	On-site physician for prompt response to adverse reactions	✓	✓	✗
CARE COORDINATION	On-site pharmacy prevents delays accessing medication	✓	✗	✗
	On-site pharmacy can modify dosing on day of infusion based on therapeutic needs	✓	✗	✗
	Provides care for the most complex patients	✓	✗	✗
	Provides access to care 24 hours per day	✓	✗	✗
	Provides care to uninsured and underinsured patients	✓	✗	✗
SAFETY OVERSIGHT	Food and Drug Administration, state boards of pharmacy, U.S. Pharmacopeia, and The Joint Commission	✓	✗	✗