



575 MARKET STREET, SUITE 600
SAN FRANCISCO, CA 94105
PBGH.ORG

OFFICE 415.281.8660
FACSIMILE 415.520.0927

Contact: Kelly Klaas
KKlaas@pbgh.org
415-615-6309

PBGH Statement on Proposed Medicare Part B Drug Pricing Regulations

SAN FRANCISCO, CA (March 30, 2016) – Pacific Business Group on Health (PBGH) applauds CMS’s innovative approach to addressing the problem of rising drug costs. The current system does not adequately reward providers who seek the most cost-effective use of drugs, and alternative approaches need to be tested. In particular, there is significant potential in the use of value-based payment arrangements, including indications-based pricing, risk-sharing agreements based on outcomes, and reference pricing. PBGH will be preparing formal comments on the proposed rule prior to the May 9 deadline.

PBGH believes that testing these innovative approaches in public and private health benefit programs will produce valuable evidence to inform future policy. Ultimately, good purchasing strategies will result in better care – at a more affordable price – for patients.

About Pacific Business Group Health

PBGH is a non-profit business coalition focused on improving the quality and affordability of health care. The group represents more than 60 large health care purchasing member companies and public agencies with more than 10 million employees, retirees and dependents in California. www.pbgh.org
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