



NATIONAL HEMOPHILIA FOUNDATION
for all bleeding and clotting disorders

November 30, 2011

Toby Douglas, Director
State Department of Health Care Services, State of California
1501 Capitol Mall
Sacramento, CA 95814

Re: Request to Exempt Clotting Factor from 10% Provider Cut

Dear Mr. Douglas:

The National Hemophilia Foundation (NHF) is the nation's oldest and largest advocacy organization for people with bleeding and clotting disorders and is dedicated to ensuring that all consumers have access to high quality medical care and services, regardless of financial circumstances, place of residence, or other factors.

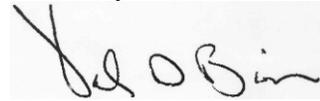
We are writing today in response to the approved 10% Medi-Cal provider rate cuts on pharmacy services. We understand that in recent years Medicaid costs have skyrocketed, forcing the State to take drastic actions to limit expenses. However, people with bleeding disorders in California, and around the country, rely on blood clotting factor products for their lives and health. These therapies are unique biologic products which are either plasma derived or manufactured using recombinant technology. They require special storage, handling and delivery by providers who have significant knowledge and experience dealing with these products. Furthermore, these products are not like traditional pharmaceuticals where a warning label or package insert may be all that is needed beyond the physician's original instructions. Rather, these products are part of a therapeutic regimen that often requires a variety of specialized ancillary products and services to ensure that the consumer receives the full benefit of the therapy.

The approved rate cuts, if applied to these unique life saving therapies, could have a devastating impact on patient access to care. Reimbursement that is insufficient to cover cost of dispensation may lead to a reduction in providers making it difficult for these fragile individuals to comply with their prescribed treatment regimens. Disrupted or delayed care can lead to increased joint disease and other life threatening, disabling complications. These complications lead to increased health care costs and greater costs to the Medi-Cal program.

Our members support responsible use of public monies and are ready and willing to provide a variety of suggestions on how this may be accomplished. Therefore, we strongly encourage DHCS to consider the exemption of clotting factor as requested by the Hemophilia Council of California and The Center for Inherited Blood Disorders and to work with community stakeholders to identify alternative cost saving opportunities that also ensure patient access.

Should you have any questions, please feel free to contact Michelle Rice at [mrice@hemophilia.org/\(317\)517-3032](mailto:mrice@hemophilia.org/(317)517-3032) or Ruthlyn Noel at [rnoel@hemophilia.org/\(212\)328-3720](mailto:rnoel@hemophilia.org/(212)328-3720).

Sincerely,

A handwritten signature in black ink, appearing to read "Val D. Bias", is written over a light gray rectangular background.

Val D. Bias
Chief Executive Officer