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## **BY ELECTRONIC MAIL**

May 11, 2018

David Seltz  
Executive Director  
Health Policy Commission  
50 Milk Street  
8<sup>th</sup> Floor  
Boston, MA 02109

### **Re: Public Listening Session on “Brown Bagging” and “White Bagging”**

Dear Mr. Seltz:

On behalf of Atrius Health, thank you for the opportunity to provide comments to the Health Policy Commission (HPC) regarding the practice of shifting drug distribution channels, commonly referred to as “white bagging” and brown bagging.”

Atrius Health, an innovative nonprofit healthcare leader, delivers an effective system of connected care for more than 720,000 adult and pediatric patients in eastern and central Massachusetts. Atrius Health’s 32 medical practices, with more than 50 specialties and 825 physicians, work together with the home health and hospice services of its VNA Care subsidiary and in close collaboration with hospital partners, community specialists and skilled nursing facilities. Atrius Health provides high-quality, patient-centered, coordinated care to every patient it serves. Establishing a solid foundation of knowledge, understanding and trust with each of its patients, Atrius Health enriches their health and enhances their lives. Learn more about Atrius Health at [www.atriushealth.org](http://www.atriushealth.org)

Below we have attempted to respond to the HPC’s specific questions regarding shifting drug distribution channels, but note that the growth in the specialty drug market and changes in health plan design intended to help control – and shift – drug costs, present related issues that may need to be addressed.

### **How widespread is the practice of shifting drug distribution channels in Massachusetts? What is the prevalence of “brown bagging” versus “white bagging”?**

We do not have specific data on the prevalence of these practices; however, our clinicians and pharmacists report an increase over the past several years in both “brown bagging” and “white

bagging” at Atrius Health. This appears to be related to an increase in the use and availability of specialty drugs, and health plans’ requiring members to obtain those medications from specific pharmacies.

### **What is the prevalence of mandated administration of infusion therapy drugs in the home setting?**

We are aware of only one Massachusetts-based health plan that requires home infusion (Remicade and a few other infusion drugs).

### **How many and which specific drugs have shifted distribution channels?**

We do not have data on how many and which specific drugs have shifted distribution channels; however, our practice reports a shift to specialty pharmacies and “brown bagging” and “white bagging” for drugs used in rheumatology, oncology, endocrinology, gastroenterology, fertility treatment and allergy.

### **What is the impact of shifting drug distribution channels on patient experience, including cost-sharing, safety, and access?**

By far our biggest concern with the shift in drug distribution channels is the safety of our patients, particularly with respect to “brown bagging.” While “white bagging” typically requires the specific medication to be delivered to a pharmacy or health care provider who will understand and can implement any necessary processes to attempt to ensure the integrity of the drug (e.g., refrigerate it), “brown bagging” has no similar assurance. When a patient brings a medication to the provider for administration, the provider has no way of knowing whether the medication has been appropriately handled and is reliant on the patient’s self-report. Although we are not aware of any specific adverse outcomes as a result of administration of “brown-bagged” medications within our practice the break in the chain of custody associated with this practice is concerning to our clinicians.

Although there are fewer safety concerns with “white bagging,” this practice presents other issues which can affect patient experience, including potential for delays in care if medications don’t arrive when anticipated or shipments are misdirected, or if poor shipping and handling practices result in delivery of unusable product (e.g., a drug requires refrigeration and the dry ice has melted in transit). In these cases, we have to coordinate the delivery of a replacement drug with the specialty pharmacy, and reschedule patient visits.

With respect to cost-sharing, medications obtained via “brown bagging” and “white bagging” are typically attributed to the insurer’s pharmacy benefit, which tends to have higher patient cost-sharing responsibilities. When medications are billed under a patient’s medical benefit, the patient is usually responsible for only the cost sharing (e.g. copayment) associated with the office visit at which the drug is administered. When these same medications are obtained through the pharmacy benefit, the patient now has an additional pharmacy cost, either in the form of a copayment or a coinsurance.

## **What is the financial impact of this practice on payers and providers?**

Atrius Health has not quantified the impact of this practice; however, the process of managing both “white bagging” and “brown bagging” requires staff and clinician resources (e.g., tracking, assessing and storing received medications; coordinating and rescheduling patient visits to ensure medications are available). As a more general matter, costs associated with specialty drugs have affected our bottom line particularly where we are at risk for pharmacy services and our specialty pharmacy is not within a health plan’s pharmacy network.

Atrius Health appreciates payers’ attempts to address rising health care costs by negotiating rates and using selective pharmacy networks for specialty drug distribution; however, the resulting practices of “brown bagging” and “white bagging” create safety and quality of care issues for providers and patients, as well as additional expense of time and resources. We encourage the HPC to consider the issues we and others have raised about these practices and develop recommendations in its final report to appropriately address our concerns.

Thank you again for your consideration in this important and timely matter. If you have any questions or require further information, please feel free to contact me at (617) 972-5323 or Kathy Keough, Director of Government Relations at (617) 559-8561.

Sincerely,

A handwritten signature in black ink that reads "Richard Lopez MD". The signature is written in a cursive style with a large "R" and "L".

Richard Lopez, MD  
Chief Medical Officer of the VNA Care and Sr. Vice President, Atrius Health