



The Nation's Advocacy Voice for In-Office
Infusion

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Senate Human Services Committee
600 E Boulevard Ave
Bismarck, ND
58505

February 7, 2023

Re: Support for ND SB 2378

Dear Senators:

On behalf of the infusion providers we represent in your state, thank you for your service and commitment to the people of North Dakota. As a nonprofit trade association that provides a national voice for non-hospital, community-based infusion providers; we ask that you please support SB 2378.

The National Infusion Center Association (NICA) is a nonprofit organization formed to support non-hospital, community-based infusion centers caring for patients in need of infused and injectable medications. To improve access to medical benefit drugs that treat complex, rare, and chronic diseases, we work to ensure that patients can access these drugs in high-quality, non-hospital care settings. NICA supports policies that improve drug affordability for beneficiaries, increase price transparency, reduce disparities in quality of care and safety across care settings, and enable care delivery in the highest-quality, lowest-cost setting.

In the infusion space, reimbursement rates for drug administration do not cover the actual expense of administering medications. Infusion providers have historically relied on what is known as "buy-and-bill" to purchase medications for their practices in bulk and then billing patients for their individual treatments. Margins incurred from the buy-and-bill model allow offices to cover administration and overhead costs, and ultimately keeps community-based providers in business.

However, some insurance companies have implemented policies that require North Dakota patients to purchase medications from specialty pharmacies—a practice known as "white



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bagging.” When a payor requires a patient’s medication to be acquired from a specialty pharmacy, the drug is provided by a third-party pharmacy, generally one the payor is affiliated with, and the provider bills for administration only. Specialty pharmacy mandates circumvent the buy-and-bill model infusion providers rely on. If North Dakota infusion centers can no longer afford to treat patients due to forced “white bagging,” their long-standing patients who rely on them for consistent, local, and quality care will have nowhere to go.

In addition to disrupting the economics of non-hospital infusion offices, specialty pharmacy mandates add unnecessary waste and costs, and ultimately harm patients. White bagging requires that patients pay for their medications before they receive them and before they are even shipped to their providers’ offices. If for any reason a patient is unable to receive their treatment, due to weight fluctuation or a change in their condition, that medication, which has already been paid for, is now wasted. However, the patient is still responsible for paying for the drug. By law, the drug cannot be returned, and it cannot be administered to another patient.

These medications cost thousands of dollars and wasting them is completely avoidable through the buy-and-bill model that infusion offices currently use. For many of our providers, working with a specialty pharmacy has led to delays and disruptions in treatment schedules. Practices have reported receiving different quantities than what was ordered or experienced processing and shipping delays.

On behalf of the providers we serve, we urge the North Dakota Senate Human Services Committee to advance SB 2378 and ensure healthcare providers have the flexibility to obtain and administer complex provider-administered drugs in the way that is right for their office.

Sincerely,

A handwritten signature in black ink that reads "Kindyl Boyer". The signature is written in a cursive, flowing style.

Kindyl Boyer
Director of Advocacy
National Infusion Center Association