

**Analysis of CMS-provided summary claims data for 2014 OPPS+MPFS (provided in press release issued in conjunction with CMS-1670-P)**

Model calculates chemotherapy day#1 only, not an entire chemotherapy course of therapy

Model uses CMS-provided average units per encounter per HCPCS code, not the dose that may be recommended for a particular chemotherapy regimen

MPFS=Medicare Physician Fee Schedule. OPPS=Hospital Outpatient Prospective Payment System

Elan Rubinstein, Pharm.D., MPH. (818) 929-3880

[elan.b.rubinstein@gmail.com](mailto:elan.b.rubinstein@gmail.com)

Prepared: March 19, 2016

**NON-SMALL CELL LUNG CANCER**

| 1st line common regimen example without consideration of stage or markers;<br>Also including possible supportive care drugs |                              |   |                                | Current Part B<br>reimbursement<br>(after sequester)                                 |            | CMS-1670-P proposed reimbursement<br>(before sequester)            |            |                                       |  | CMS-1670-P proposed reimbursement<br>(after sequester) |            |                                       |  | Difference<br>(before sequester) |  | Difference<br>(after sequester)  |  |  |
|---|------------------------------|---|--------------------------------|--|------------|--|------------|---------------------------------------|--|--|------------|---------------------------------------|--|----------------------------------|--|--|--|--|
| Non-Small Cell Lung Cancer<br>Generic + brand chemotherapy regimen  |                              | Average Billed<br>Dosage (dosage per<br>HCPCS billing unit x<br>HCPCS units per<br>patient encounter) | ASP per HCPCS<br>unit (4/2016) | Provider Cost<br>at ASP (HCPCS<br>units per<br>encounter x<br>ASP per HCPCS<br>unit) | ASP+4.3%   | Absolute<br>Dollar<br>Margin,<br>assuming<br>ASP as<br>Actual Cost | ASP+2.5%   | Extended +<br>Daily Fee of<br>\$16.80 | Absolute<br>Dollar<br>Margin,<br>assuming<br>ASP as<br>Actual Cost | Gross Margin<br>Percent                                | ASP+0.86%  | Extended +<br>Daily Fee of<br>\$16.53 | Absolute<br>Dollar<br>Margin,<br>assuming<br>ASP as<br>Actual Cost | Gross<br>Margin<br>Percent       | Difference:<br>Proposed minus<br>current<br>reimbursement<br>(dollars) | Difference:<br>Proposed minus<br>current<br>reimbursement<br>(percent) | Difference:<br>Proposed minus<br>current<br>reimbursement<br>(dollars) | Difference:<br>Proposed minus<br>current<br>reimbursement<br>(percent) |
| Factor  |                              |   |                                |  | 1.043      |  | 1.025      | \$16.80                               |  |  | 1.0086     | \$16.53                               |  |                                  |  |  |  |  |
| Scenario<br>Summary   |                              |   |                                | \$9,215.60   | \$9,611.87 | \$396.27   | \$9,445.99 | \$9,546.79                            | \$331.19   | 3.59%  | \$9,294.86 | \$9,394.04                            | \$178.43   | 1.94%                            | -\$65.08   | -16%   | -\$217.84  | -55%   |
| J9060   | Cisplatin 10 mg injection    | 79.04   | \$1.50                         | \$11.86  | \$12.37    | \$0.51   | \$12.16    | \$28.96                               | \$17.10  | 144.12%  | \$11.97    | \$28.50                               | \$16.63  | 140.20%                          | \$16.59  | 3252%  | \$16.12  | 3160%  |
| J9305   | Pemetrexed injection         | 905.05  | \$58.18                        | \$5,266.03   | \$5,492.47 | \$226.44   | \$5,397.68 | \$5,414.48                            | \$148.45   | 2.82%  | \$5,311.32 | \$5,327.85                            | \$61.82  | 1.17%                            | -\$77.99   | -34%   | -\$164.62  | -73%   |
| J2505   | Injection, pegfilgrastim 6mg | 6.00  | \$3,677.74                     | \$3,678.41   | \$3,836.58 | \$158.17   | \$3,770.37 | \$3,787.17                            | \$108.76   | 2.96%  | \$3,710.05 | \$3,726.58                            | \$48.16  | 1.31%                            | -\$49.41   | -31%   | -\$110.01  | -70%   |
| J1453   | Fosaprepitant injection      | 149.93  | \$1.71                         | \$256.01   | \$267.02   | \$11.01  | \$262.41   | \$279.21                              | \$23.20  | 9.06%  | \$258.21   | \$274.74                              | \$18.73  | 7.32%                            | \$12.19  | 111%   | \$7.72   | 70%  |
| J1626   | Granisetron hcl injection    | 1004.10   | \$0.32                         | \$3.19   | \$3.33     | \$0.14   | \$3.27     | \$20.07                               | \$16.88  | 528.77%  | \$3.22     | \$19.75                               | \$16.56  | 518.67%                          | \$16.74  | 12197%   | \$16.42  | 11962%   |
| J1094   | Inj dexamethasone acetate    | 3.52  | \$0.03                         | \$0.10   | \$0.11     | \$0.00   | \$0.11     | \$16.91                               | \$16.80  | 16340.11%  | \$0.10     | \$16.63                               | \$16.53  | 16075.91%                        | \$16.80  | 379903%  | \$16.53  | 373758%  |

| 1st line common regimen example without consideration of stage or markers;<br>Also including possible supportive care drugs |                              |   |                                | Current Part B<br>reimbursement<br>(after sequester)                                 |            | CMS-1670-P proposed reimbursement<br>(before sequester)            |            |                                       |  | CMS-1670-P proposed reimbursement<br>(after sequester) |            |                                       |  | Difference<br>(before sequester) |  | Difference<br>(after sequester)  |  |  |
|---|------------------------------|---|--------------------------------|--|------------|--|------------|---------------------------------------|--|--|------------|---------------------------------------|--|----------------------------------|--|--|--|--|
| Non-Small Cell Lung Cancer<br>Generic only chemotherapy regimen   |                              | Average Billed<br>Dosage (dosage per<br>HCPCS billing unit x<br>HCPCS units per<br>patient encounter) | ASP per HCPCS<br>unit (4/2016) | Provider Cost<br>at ASP (HCPCS<br>units per<br>encounter x<br>ASP per HCPCS<br>unit) | ASP+4.3%   | Absolute<br>Dollar<br>Margin,<br>assuming<br>ASP as<br>Actual Cost | ASP+2.5%   | Extended +<br>Daily Fee of<br>\$16.80 | Absolute<br>Dollar<br>Margin,<br>assuming<br>ASP as<br>Actual Cost | Gross Margin<br>Percent                                | ASP+0.86%  | Extended +<br>Daily Fee of<br>\$16.53 | Absolute<br>Dollar<br>Margin,<br>assuming<br>ASP as<br>Actual Cost | Gross<br>Margin<br>Percent       | Difference:<br>Proposed minus<br>current<br>reimbursement<br>(dollars) | Difference:<br>Proposed minus<br>current<br>reimbursement<br>(percent) | Difference:<br>Proposed minus<br>current<br>reimbursement<br>(dollars) | Difference:<br>Proposed minus<br>current<br>reimbursement<br>(percent) |
| Factor  |                              |   |                                |  | 1.043      |  | 1.025      | \$16.80                               |  |  | 1.0086     | \$16.53                               |  |                                  |  |  |  |  |
| Scenario<br>Summary   |                              |   |                                | \$4,009.79   | \$4,182.21 | \$172.42   | \$4,110.03 | \$4,210.83                            | \$201.04   | 5.01%  | \$4,044.27 | \$4,143.45                            | \$133.66   | 3.33%                            | \$28.62  | 17%  | -\$38.76   | -22%   |
| J9201   | Gemcitabine hcl injection    | 1578.17   | \$7.63                         | \$60.21  | \$62.80    | \$2.59   | \$61.71    | \$78.51                               | \$18.31  | 30.40%   | \$60.73    | \$77.26                               | \$17.05  | 28.31%                           | \$15.72  | 607%   | \$14.46  | 558%   |
| J9060   | Cisplatin 10 mg injection    | 79.04   | \$1.50                         | \$11.86  | \$12.37    | \$0.51   | \$12.16    | \$28.96                               | \$17.10  | 144.12%  | \$11.97    | \$28.50                               | \$16.63  | 140.20%                          | \$16.59  | 3252%  | \$16.12  | 3160%  |
| J2505   | Injection, pegfilgrastim 6mg | 6.00  | \$3,677.74                     | \$3,678.41   | \$3,836.58 | \$158.17   | \$3,770.37 | \$3,787.17                            | \$108.76   | 2.96%  | \$3,710.05 | \$3,726.58                            | \$48.16  | 1.31%                            | -\$49.41   | -31%   | -\$110.01  | -70%   |
| J1453   | Fosaprepitant injection      | 149.93  | \$1.71                         | \$256.01   | \$267.02   | \$11.01  | \$262.41   | \$279.21                              | \$23.20  | 9.06%  | \$258.21   | \$274.74                              | \$18.73  | 7.32%                            | \$12.19  | 111%   | \$7.72   | 70%  |
| J1626   | Granisetron hcl injection    | 1004.10   | \$0.32                         | \$3.19   | \$3.33     | \$0.14   | \$3.27     | \$20.07                               | \$16.88  | 528.77%  | \$3.22     | \$19.75                               | \$16.56  | 518.67%                          | \$16.74  | 12197%   | \$16.42  | 11962%   |
| J1094   | Inj dexamethasone acetate    | 3.52  | \$0.03                         | \$0.10   | \$0.11     | \$0.00   | \$0.11     | \$16.91                               | \$16.80  | 16340.11%  | \$0.10     | \$16.63                               | \$16.53  | 16075.91%                        | \$16.80  | 379903%  | \$16.53  | 373758%  |

**Analysis of CMS-provided summary claims data for 2014 OPPS+MPFS (provided in press release issued in conjunction with CMS-1670-P)**

Model calculates chemotherapy day#1 only, not an entire chemotherapy course of therapy

Model uses CMS-provided average units per encounter per HCPCS code, not the dose that may be recommended for a particular chemotherapy regimen

MPFS=Medicare Physician Fee Schedule. OPPS=Hospital Outpatient Prospective Payment System

Elan Rubinstein, Pharm.D., MPH. (818) 929-3880

[elan.b.rubinstein@gmail.com](mailto:elan.b.rubinstein@gmail.com)

Prepared: March 19, 2016

| 1st line common regimen example without consideration of stage or markers;<br>Also including possible supportive care drugs |   |   |                                |  | Current Part B<br>reimbursement<br>(after sequester) |  | CMS-1670-P proposed reimbursement<br>(before sequester) |                                       |  |                         | CMS-1670-P proposed reimbursement<br>(after sequester) |                                       |  |                            | Difference<br>(before sequester)                                       |  | Difference<br>(after sequester)  |  |
|---|---|---|--------------------------------|--|--|--|---|---------------------------------------|--|-------------------------|--|---------------------------------------|--|----------------------------|--|--|--|--|
| Factor  | Breast Cancer<br>Generic + brand chemotherapy regimen | Average Billed<br>Dosage (dosage per<br>HCPCS billing unit x<br>HCPCS units per<br>patient encounter) | ASP per HCPCS<br>unit (4/2016) | Provider Cost<br>at ASP (HCPCS<br>units per<br>encounter x<br>ASP per HCPCS<br>unit) | ASP+4.3%   | Absolute<br>Dollar<br>Margin,<br>assuming<br>ASP as<br>Actual Cost | ASP+2.5%  | Extended +<br>Daily Fee of<br>\$16.80 | Absolute<br>Dollar<br>Margin,<br>assuming<br>ASP as<br>Actual Cost | Gross Margin<br>Percent | ASP+0.86%  | Extended +<br>Daily Fee of<br>\$16.53 | Absolute<br>Dollar<br>Margin,<br>assuming<br>ASP as<br>Actual Cost | Gross<br>Margin<br>Percent | Difference:<br>Proposed minus<br>current<br>reimbursement<br>(dollars) | Difference:<br>Proposed minus<br>current<br>reimbursement<br>(percent) | Difference:<br>Proposed minus<br>current<br>reimbursement<br>(dollars) | Difference:<br>Proposed minus<br>current<br>reimbursement<br>(percent) |
|   |   |   |                                |  |  |  |   |                                       |  |                         |  |                                       |  |                            |  |  |  |  |
| Scenario<br>Summary   |   |   |                                | \$11,815.93  | \$12,324.02  | \$508.09   | \$12,111.33   | \$12,228.93                           | \$396.20   | 3.35%                   | \$11,917.55  | \$12,033.26                           | \$217.33   | 1.84%                      | -\$95.09   | -19%   | -\$290.76  | -57%   |
| J9355   | Trastuzumab injection                                 | 364.47  | \$84.60                        | \$3,083.36   | \$3,215.94   | \$132.58   | \$3,160.44  | \$3,177.24                            | \$93.88  | 3.04%                   | \$3,109.88   | \$3,126.41                            | \$43.05  | 1.40%                      | -\$38.70   | -29%   | -\$89.54   | -68%   |
| J9306   | Injection, pertuzumab, 1 mg                           | 462.37  | \$9.85                         | \$4,553.91   | \$4,749.72   | \$195.82   | \$4,667.75  | \$4,684.55                            | \$130.65   | 2.87%                   | \$4,593.07   | \$4,609.60                            | \$55.69  | 1.22%                      | -\$65.17   | -33%   | -\$140.12  | -72%   |
| J9171   | Docetaxel injection                                   | 106.96  | \$2.25                         | \$240.95   | \$251.32   | \$10.36  | \$246.98  | \$263.78                              | \$22.82  | 9.47%                   | \$243.03   | \$259.56                              | \$18.60  | 7.72%                      | \$12.46  | 120%   | \$8.24   | 80%  |
| J2505   | Injection, pegfilgrastim 6mg                          | 6.00  | \$3,677.74                     | \$3,678.41   | \$3,836.58   | \$158.17   | \$3,770.37  | \$3,787.17                            | \$108.76   | 2.96%                   | \$3,710.05   | \$3,726.58                            | \$48.16  | 1.31%                      | -\$49.41   | -31%   | -\$110.01  | -70%   |
| J1453   | Fosaprepitant injection                               | 149.93  | \$1.71                         | \$256.01   | \$267.02   | \$11.01  | \$262.41  | \$279.21                              | \$23.20  | 9.06%                   | \$258.21   | \$274.74                              | \$18.73  | 7.32%                      | \$12.19  | 111%   | \$7.72   | 70%  |
| J1626   | Granisetron hcl injection                             | 1004.10   | \$0.32                         | \$3.19   | \$3.33   | \$0.14   | \$3.27  | \$20.07                               | \$16.88  | 528.77%                 | \$3.22   | \$19.75                               | \$16.56  | 518.67%                    | \$16.74  | 12197%   | \$16.42  | 11962%   |
| J1094   | Inj dexamethasone acetate                             | 3.52  | \$0.03                         | \$0.10   | \$0.11   | \$0.00   | \$0.11  | \$16.91                               | \$16.80  | 16340.11%               | \$0.10   | \$16.63                               | \$16.53  | 16075.91%                  | \$16.80  | 379903%  | \$16.53  | 373758%  |

| 1st line common regimen example without consideration of stage or markers;<br>Also including possible supportive care drugs |   |   |                                |  | Current Part B<br>reimbursement<br>(after sequester) |  | CMS-1670-P proposed reimbursement<br>(before sequester) |                                       |  |                         | CMS-1670-P proposed reimbursement<br>(after sequester) |                                       |  |                            | Difference<br>(before sequester)                                       |  | Difference<br>(after sequester)  |  |
|---|---|---|--------------------------------|--|--|--|---|---------------------------------------|--|-------------------------|--|---------------------------------------|--|----------------------------|--|--|--|--|
| Factor  | Breast Cancer<br>Generic + brand chemotherapy | Average Billed<br>Dosage (dosage per<br>HCPCS billing unit x<br>HCPCS units per<br>patient encounter) | ASP per HCPCS<br>unit (4/2016) | Provider Cost<br>at ASP (HCPCS<br>units per<br>encounter x<br>ASP per HCPCS<br>unit) | ASP+4.3%   | Absolute<br>Dollar<br>Margin,<br>assuming<br>ASP as<br>Actual Cost | ASP+2.5%  | Extended +<br>Daily Fee of<br>\$16.80 | Absolute<br>Dollar<br>Margin,<br>assuming<br>ASP as<br>Actual Cost | Gross Margin<br>Percent | ASP+0.86%  | Extended +<br>Daily Fee of<br>\$16.53 | Absolute<br>Dollar<br>Margin,<br>assuming<br>ASP as<br>Actual Cost | Gross<br>Margin<br>Percent | Difference:<br>Proposed minus<br>current<br>reimbursement<br>(dollars) | Difference:<br>Proposed minus<br>current<br>reimbursement<br>(percent) | Difference:<br>Proposed minus<br>current<br>reimbursement<br>(dollars) | Difference:<br>Proposed minus<br>current<br>reimbursement<br>(percent) |
|   |   |   |                                |  |  |  |   |                                       |  |                         |  |                                       |  |                            |  |  |  |  |
| Scenario<br>Summary   |   |   |                                | \$7,095.93   | \$7,401.06   | \$305.13   | \$7,273.33  | \$7,374.13                            | \$278.20   | 3.92%                   | \$7,156.96   | \$7,256.14                            | \$160.21   | 2.26%                      | -\$26.93   | -9%  | -\$144.92  | -47%   |
| J9070   | Cyclophosphamide 100 mg inj                   | 1162.60   | \$41.05                        | \$477.24   | \$497.76   | \$20.52  | \$489.17  | \$505.97                              | \$28.73  | 6.02%                   | \$481.34   | \$497.87                              | \$20.63  | 4.32%                      | \$8.21   | 40%  | \$0.11   | 1%   |
| Q2050   | Doxorubicin inj 10mg                          | 65.19   | \$411.25                       | \$2,680.98   | \$2,796.26   | \$115.28   | \$2,748.01  | \$2,764.81                            | \$83.82  | 3.13%                   | \$2,704.04   | \$2,720.57                            | \$39.59  | 1.48%                      | -\$31.46   | -27%   | -\$75.70   | -66%   |
| J2505   | Injection, pegfilgrastim 6mg                  | 6.00  | \$3,677.74                     | \$3,678.41   | \$3,836.58   | \$158.17   | \$3,770.37  | \$3,787.17                            | \$108.76   | 2.96%                   | \$3,710.05   | \$3,726.58                            | \$48.16  | 1.31%                      | -\$49.41   | -31%   | -\$110.01  | -70%   |
| J1453   | Fosaprepitant injection                       | 149.93  | \$1.71                         | \$256.01   | \$267.02   | \$11.01  | \$262.41  | \$279.21                              | \$23.20  | 9.06%                   | \$258.21   | \$274.74                              | \$18.73  | 7.32%                      | \$12.19  | 111%   | \$7.72   | 70%  |
| J1626   | Granisetron hcl injection                     | 1004.10   | \$0.32                         | \$3.19   | \$3.33   | \$0.14   | \$3.27  | \$20.07                               | \$16.88  | 528.77%                 | \$3.22   | \$19.75                               | \$16.56  | 518.67%                    | \$16.74  | 12197%   | \$16.42  | 11962%   |
| J1094   | Inj dexamethasone acetate                     | 3.52  | \$0.03                         | \$0.10   | \$0.11   | \$0.00   | \$0.11  | \$16.91                               | \$16.80  | 16340.11%               | \$0.10   | \$16.63                               | \$16.53  | 16075.91%                  | \$16.80  | 379903%  | \$16.53  | 373758%  |

**Analysis of CMS-provided summary claims data for 2014 OPPTS+MPFS (provided in press release issued in conjunction with CMS-1670-P)**

Model calculates chemotherapy day#1 only, not an entire chemotherapy course of therapy

Model uses CMS-provided average units per encounter per HCPCS code, not the dose that may be recommended for a particular chemotherapy regimen

MPFS=Medicare Physician Fee Schedule. OPPTS=Hospital Outpatient Prospective Payment System

Elan Rubinstein, Pharm.D., MPH. (818) 929-3880

[elan.b.rubinstein@gmail.com](mailto:elan.b.rubinstein@gmail.com)

Prepared: March 19, 2016

| 1st line common regimen example without consideration of stage or markers;<br>Also including possible supportive care drugs |  |   |                                | Current Part B<br>reimbursement<br>(after sequester)                                 |            | CMS-1670-P proposed reimbursement<br>(before sequester)            |            |                                       |  | CMS-1670-P proposed reimbursement<br>(after sequester) |            |                                       |  | Difference<br>(before sequester) |  | Difference<br>(after sequester)  |  |  |
|---|--|---|--------------------------------|--|------------|--|------------|---------------------------------------|--|--|------------|---------------------------------------|--|----------------------------------|--|--|--|--|
| Factor  | Colon Cancer<br>Generic + brand chemotherapy regimen | Average Billed<br>Dosage (dosage per<br>HCPCS billing unit x<br>HCPCS units per<br>patient encounter) | ASP per HCPCS<br>unit (4/2016) | Provider Cost<br>at ASP (HCPCS<br>units per<br>encounter x<br>ASP per HCPCS<br>unit) | ASP+4.3%   | Absolute<br>Dollar<br>Margin,<br>assuming<br>ASP as<br>Actual Cost | ASP+2.5%   | Extended +<br>Daily Fee of<br>\$16.80 | Absolute<br>Dollar<br>Margin,<br>assuming<br>ASP as<br>Actual Cost | Gross Margin<br>Percent                                | ASP+0.86%  | Extended +<br>Daily Fee of<br>\$16.53 | Absolute<br>Dollar<br>Margin,<br>assuming<br>ASP as<br>Actual Cost | Gross<br>Margin<br>Percent       | Difference:<br>Proposed minus<br>current<br>reimbursement<br>(dollars) | Difference:<br>Proposed minus<br>current<br>reimbursement<br>(percent) | Difference:<br>Proposed minus<br>current<br>reimbursement<br>(dollars) | Difference:<br>Proposed minus<br>current<br>reimbursement<br>(percent) |
| Scenario<br>Summary   |  |   |                                | \$5,338.17   | \$5,567.71 | \$229.54   | \$5,471.63 | \$5,606.03                            | \$267.85   | 5.02%  | \$5,384.08 | \$5,516.32                            | \$178.15   | 3.34%                            | \$38.31  | 17%  | -\$51.39   | -22%   |
| J9035   | Bevacizumab injection                                | 185.55  | \$66.94                        | \$1,242.15   | \$1,295.56 | \$53.41  | \$1,273.21 | \$1,290.01                            | \$47.85  | 3.85%  | \$1,252.83 | \$1,269.36                            | \$27.21  | 2.19%                            | -\$5.56  | -10%   | -\$26.20   | -49%   |
| J9263   | Oxaliplatin  | 160.44  | \$0.35                         | \$111.40   | \$116.19   | \$4.79   | \$114.18   | \$130.98                              | \$19.58  | 17.58%   | \$112.35   | \$128.88                              | \$17.49  | 15.70%                           | \$14.79  | 309%   | \$12.70  | 265%   |
| J0640   | Leucovorin calcium injection                         | 535.69  | \$3.48                         | \$37.30  | \$38.90    | \$1.60   | \$38.23    | \$55.03                               | \$17.73  | 47.55%   | \$37.62    | \$54.15                               | \$16.85  | 45.18%                           | \$16.13  | 1006%  | \$15.25  | 951%   |
| J9190   | Fluorouracil injection                               | 2760.20   | \$1.74                         | \$9.61   | \$10.03    | \$0.41   | \$9.85     | \$26.65                               | \$17.04  | 177.25%  | \$9.70     | \$26.23                               | \$16.61  | 172.80%                          | \$16.63  | 4022%  | \$16.20  | 3919%  |
| J2505   | Injection, pegfilgrastim 6mg                         | 6.00  | \$3,677.74                     | \$3,678.41   | \$3,836.58 | \$158.17   | \$3,770.37 | \$3,787.17                            | \$108.76   | 2.96%  | \$3,710.05 | \$3,726.58                            | \$48.16  | 1.31%                            | -\$49.41   | -31%   | -\$110.01  | -70%   |
| J1453   | Fosaprepitant injection                              | 149.93  | \$1.71                         | \$256.01   | \$267.02   | \$11.01  | \$262.41   | \$279.21                              | \$23.20  | 9.06%  | \$258.21   | \$274.74                              | \$18.73  | 7.32%                            | \$12.19  | 111%   | \$7.72   | 70%  |
| J1626   | Granisetron hcl injection                            | 1004.10   | \$0.32                         | \$3.19   | \$3.33     | \$0.14   | \$3.27     | \$20.07                               | \$16.88  | 528.77%  | \$3.22     | \$19.75                               | \$16.56  | 518.67%                          | \$16.74  | 12197%   | \$16.42  | 11962%   |
| J1094   | Inj dexamethasone acetate                            | 3.52  | \$0.03                         | \$0.10   | \$0.11     | \$0.00   | \$0.11     | \$16.91                               | \$16.80  | 16340.11%  | \$0.10     | \$16.63                               | \$16.53  | 16075.91%                        | \$16.80  | 379903%  | \$16.53  | 373758%  |

| 1st line common regimen example without consideration of stage or markers;<br>Also including possible supportive care drugs |   |   |                                | Current Part B<br>reimbursement<br>(after sequester)                                 |            | CMS-1670-P proposed reimbursement<br>(before sequester)            |            |                                       |  | CMS-1670-P proposed reimbursement<br>(after sequester) |            |                                       |  | Difference<br>(before sequester) |  | Difference<br>(after sequester)  |  |  |
|---|---|---|--------------------------------|--|------------|--|------------|---------------------------------------|--|--|------------|---------------------------------------|--|----------------------------------|--|--|--|--|
| Factor  | Colon Cancer<br>Generic only chemotherapy regimen | Average Billed<br>Dosage (dosage per<br>HCPCS billing unit x<br>HCPCS units per<br>patient encounter) | ASP per HCPCS<br>unit (4/2016) | Provider Cost<br>at ASP (HCPCS<br>units per<br>encounter x<br>ASP per HCPCS<br>unit) | ASP+4.3%   | Absolute<br>Dollar<br>Margin,<br>assuming<br>ASP as<br>Actual Cost | ASP+2.5%   | Extended +<br>Daily Fee of<br>\$16.80 | Absolute<br>Dollar<br>Margin,<br>assuming<br>ASP as<br>Actual Cost | Gross Margin<br>Percent                                | ASP+0.86%  | Extended +<br>Daily Fee of<br>\$16.53 | Absolute<br>Dollar<br>Margin,<br>assuming<br>ASP as<br>Actual Cost | Gross<br>Margin<br>Percent       | Difference:<br>Proposed minus<br>current<br>reimbursement<br>(dollars) | Difference:<br>Proposed minus<br>current<br>reimbursement<br>(percent) | Difference:<br>Proposed minus<br>current<br>reimbursement<br>(dollars) | Difference:<br>Proposed minus<br>current<br>reimbursement<br>(percent) |
| Scenario<br>Summary   |   |   |                                | \$4,096.02   | \$4,272.15 | \$176.13   | \$4,198.42 | \$4,316.02                            | \$203.20   | 4.96%  | \$4,131.25 | \$4,246.96                            | \$150.94   | 3.68%                            | \$43.87  | 25%  | -\$25.19   | -14%   |
| J9263   | Oxaliplatin                                       | 160.44  | \$0.35                         | \$111.40   | \$116.19   | \$4.79   | \$114.18   | \$130.98                              | \$19.58  | 17.58%   | \$112.35   | \$128.88                              | \$17.49  | 15.70%                           | \$14.79  | 309%   | \$12.70  | 265%   |
| J0640   | Leucovorin calcium injection                      | 535.69  | \$3.48                         | \$37.30  | \$38.90    | \$1.60   | \$38.23    | \$55.03                               | \$17.73  | 47.55%   | \$37.62    | \$54.15                               | \$16.85  | 45.18%                           | \$16.13  | 1006%  | \$15.25  | 951%   |
| J9190   | Fluorouracil injection                            | 2760.20   | \$1.74                         | \$9.61   | \$10.03    | \$0.41   | \$9.85     | \$26.65                               | \$17.04  | 177.25%  | \$9.70     | \$26.23                               | \$16.61  | 172.80%                          | \$16.63  | 4022%  | \$16.20  | 3919%  |
| J2505   | Injection, pegfilgrastim 6mg                      | 6.00  | \$3,677.74                     | \$3,678.41   | \$3,836.58 | \$158.17   | \$3,770.37 | \$3,787.17                            | \$108.76   | 2.96%  | \$3,710.05 | \$3,726.58                            | \$48.16  | 1.31%                            | -\$49.41   | -31%   | -\$110.01  | -70%   |
| J1453   | Fosaprepitant injection                           | 149.93  | \$1.71                         | \$256.01   | \$267.02   | \$11.01  | \$262.41   | \$279.21                              | \$23.20  | 9.06%  | \$258.21   | \$274.74                              | \$18.73  | 7.32%                            | \$12.19  | 111%   | \$7.72   | 70%  |
| J1626   | Granisetron hcl injection                         | 1004.10   | \$0.32                         | \$3.19   | \$3.33     | \$0.14   | \$3.27     | \$20.07                               | \$16.88  | 528.77%  | \$3.22     | \$19.75                               | \$16.56  | 518.67%                          | \$16.74  | 12197%   | \$16.42  | 11962%   |
| J1094   | Inj dexamethasone acetate                         | 3.52  | \$0.03                         | \$0.10   | \$0.11     | \$0.00   | \$0.11     | \$16.91                               | \$16.80  | 16340.11%  | \$0.10     | \$16.63                               | \$16.53  | 16075.91%                        | \$16.80  | 379903%  | \$16.53  | 373758%  |