

Buy and Bill

Learning Objectives

- Define the buy-and-bill reimbursement model
- Describe the steps within buy and bill, including how drug reimbursement is calculated by Medicare and commercial payers
- Identify key stakeholders and their roles and responsibilities in buy and bill
- Discuss key characteristics of buy-and-bill drugs
- Recognize the impact of buy and bill on key stakeholders such as patients and providers
- Acknowledge the potential future evolution of buy and bill, including payer tactics to regain cost control
- Identify ways manufacturers can support key stakeholders as buy and bill evolves

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Buy-and-Bill Future Evolution

Potential CMS and other payer proposed alternatives to the buy-and-bill ASP+ reimbursement model







Bundled payments ¹⁰	Fixed dollar ASP add-on reimbursement ¹⁶	Least costly alternative reimbursement ¹⁰	Shifting Medicare Part B drugs into Medicare Part D ¹⁰
Invoice pricing with management fees ¹⁰	Government/payer-negotiated drug pricing ¹⁰	Value-based payment formulas ¹⁰	Revamping the Competitive Acquisition Program (CAP) ¹⁰

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Key Stakeholders in Buy-and-Bill²

Select the icons to view information about the stakeholders.

 Regulators	 Payers	 Manufacturers	 Wholesalers/ Specialty Distributors	 Group Purchasing Organizations	 Providers	 Patients
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Payers include:

- Large national plans such as Aetna, Cigna, UHC
- Regional/local plans like some Blues organizations and MVP health
- A plan like Humana with large Medicare Advantage memberships
- A managed Medicaid plan like Centene

Commercial payers often base their policies on what Medicare does.

UNDERSTANDING BUY AND BILL