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CMS Medicare Price Negotiation Division Headed By Former Bristol Myers Squibb Exec Heider

by Cathy Kelly

Most of the other leaders in the new organization within the Centers for Medicare and Medicaid Services tasked with implementing the price negotiation and inflation rebate programs previously worked in other parts of the agency, including the Center for Medicare and Medicaid Innovation.

Former <u>Bristol Myers Squibb Company</u> senior director for worldwide pricing strategy for cardiovascular immunology and fibrosis treatments Daniel Heider has joined the Centers for Medicare and Medicaid Services as director of the Division of Rebate Agreements and Drug Price Negotiations to help lead implementation of the new programs.

Heider is in charge of one of six divisions within the newly created Medicare Drug Rebate and Negotiations Group at the CMS Center for Medicare. (Also see "CMS Building Rx Price Negotiating Staff Internally; Contracting With Outside Groups 'Not On Radar'" - Pink Sheet, 8 Dec, 2022.)

CMS has filled all but one of the leadership roles in the new group as the agency is about to embark on the first round of price negotiations. The process will kick off with publication of the list of drugs to be negotiated on or before 1 September. (*See the organizational chart at the end of the story*.)

Heider spent three years at Bristol Myers Squibb and before that was with <u>Merck & Co., Inc.</u> for 14 years, most recently as a global director for pricing. Both companies have drugs that are likely to be included in the first round of price negotiations – Eliquis (BMS) and Januvia (Merck).

The two companies are also among the four individual manufacturers that have filed lawsuits against CMS to block the negotiation program. (Also see "<u>Tracking Industry's Lawsuits Against IRA's Medicare Price Negotiations</u>" - Pink Sheet, 31 Jul, 2023.) <u>Astellas Pharma US Inc.</u> and <u>Janssen</u>



Pharmaceutical Cos. are the other two.

Heider's deputy director at the division is Corey Rosenberg, who spent three years at the CMS Center for Medicare and Medicaid Innovation before joining the new group. He was with renal disease product and services provider Fresenius Medical Center for two years prior to that.

Policy Division Deputy Joined From CVS Health

Heider is only one of two individuals in a leadership role who brings a significant industry background to his new role, despite earlier indications from CMS that the agency may tap individuals with experience in negotiating drug prices in the commercial sector to help run the new program. (Also see "*Medicare Price Negotiation Process Could Adapt Private Sector 'Best Practices,' Official Suggests*" - Pink Sheet, 10 Dec, 2021.)

The agency was able to recruit some policy experts with ties to industry to as advisors on standing up the new organization, however. Former *CVS Health Corp.* chief medical officer Surya Singh is a notable example.

The one other member of the new CMS group's leadership that brings an industry background is Policy Division deputy director Thomas Garrigan. Before joining the agency, he spent nearly five years at CVS Health, most recently as director of policy and regulatory affairs.

Prior to that, Garrigan spent more than two years in policy roles at the Association for Accessible Medicines and its predecessor organization, the Generic Pharmaceutical Association. Garrigan's boss in the Policy Division is Elisabeth Daniel. Prior to assuming her role, Daniel spent nine years at CMS as a policy analyst and six years as a senior manager at Avalere Health.

The leadership of the overall Medicare Drug Rebate and Price Negotiations Group, which houses the six divisions, also transferred from CMMI. Director Chris Ritter had been with CMMI since 2016, most recently as director of the patient care models group. She served in various payment and coverage policy roles at CMS for a number of years prior to that.

CMMI was established in 2011 by the Affordable Care Act and has launched a number of payment model demonstrations since that time, although only a few attempted to directly address payment models for drugs. Of those, the only successful demonstration capped beneficiary copays for insulin at \$35. That model was incorporated in the Inflation Reduction Act and is now required in Medicare Part D.

Group deputy director for policy Lara Strawbridge spent nine years at CMMI before moving to the new organization. The deputy director for operations position at the group is still vacant, according to the current organization chart on the CMS website.



Leaders of the other divisions are:

Division of Contract Support

Director: Elizabeth Eakle is a CMS veteran with more than 20 years' experience, including work as a leader on budget issues.

Deputy director: Sara Campbell previously spent nearly six years at CMS in roles including health insurance specialist.

Division of Manufacturer Compliance and Oversight

Director: Brennan Folsom was previously with research and management company Econometrica for seven years, most recently as a senior staff associate.

Deputy director: Corden Kane joined after two years as a budget analyst in the HHS Office of the Assistant Secretary for Financial Resources. Before that he spent three years as a health insurance specialist at CMS.

<u>Division of Manufacturer Data and Inflation Rebate Operations</u>

Director: Michael McCormick, who previously spent eight years at CMMI.

Deputy director: Elizabeth Kane, who joined from Mathematica after four years at research and consulting firm. Prior to that she was with the CMS Center for Consumer Information and Insurance Oversight for eight years.

Division of Data Assessment and Analytics

Director: Rebecca Yip joined the agency after three years at Avalere. Prior to that spent 12 years at the Congressional Budget Office, most recently as the primary analyst for the Medicare Part D program and pharmacy policies. She also spent one year at *Pfizer Inc.* from 2006-2007 as manager of business planning and analysis.

Deputy director: Brede Eschliman, joined CMS from the consultancy Aurrera Health Group, where she was director of Medicare. Before that she was with the White House Office of Management and Budget for one year, following three years at CMMI.

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