MAA Price Hikes

On February 25, Jubilant DraxImage (JDI), the sole remaining North American supplier of macroaggregated albumin (MAA) for use with ^{99m}Tc in nuclear medicine procedures, announced that a 1-time market-wide price adjustment on both MAA and diethylenetriamine pentaacetic acid (DTPA) would go into effect on March 1. The company pointed to challenges in sustainability, supply continuity, and collaborative research in driving this change. A press release indicated that the company is "committed to the field of nuclear medicine and recognizes its role and responsibility in supplying critical products to health care providers, even if in many instances all other manufacturers have abandoned such critical products."

In a video released in April, Martyn Coombs, JDI president, noted that the company has been losing money on MAA for some time: "Our choice was therefore whether to stop manufacturing, which would have been a terrible situation for the medical community and the patients, or to invest a lot more." He added that the price increases would go toward new, more automated manufacturing processes that ensure reliable supplies and toward research and development to support clinicians in studies advancing applications of MAA and DTPA.

The price increase, which in some cases saw the cost of multivial MAA go from $20 to >$400 in a single week, caused immediate concern in the nuclear medicine community. Representatives from the SNMMI reported that the supply of MAA has been the source of ongoing discussions between society leadership and industry. SNMMI President Gary Dillehay, MD, released a letter to the society membership (reproduced below in full), urging members to separate "anger from action" and identifying this topic as a top strategic priority.

Letter to the SNMMI Membership Regarding MAA

From SNMMI President, Gary Dillehay, MD

April 17, 2014

As many of you know, a drastic price increase for macroaggregated albumin (MAA) went into effect on April 1. With all the anger, misstatements, and misinformation circulating within the community, I wanted to share with you the SNMMI Board of Directors' deliberations on this serious issue, as well as discussions we have held with Jubilant DraxImage (JDI), the sole provider of this product.

The SNMMI board was first made aware of the price increase in early February, just prior to our Mid-Winter Meeting. We arranged to meet with JDI senior management in Palm Springs, CA. When company representatives presented their explanation of the planned price increase, we strongly protested and warned them of the consequences if they chose to pursue such a large increase in price—for patient care, for nuclear lung scanning, and for nuclear medicine in general. We subsequently continued to express our opposition to the price increase during phone calls with JDI's medical director and, last week, in a face-to-face meeting with their vice-president of sales and marketing. Although they have no plans to reconsider, further discussions with company representatives are planned.

SNMMI has never endorsed this drastic price increase. As soon as we heard about it, we strongly stated our opposition, and we will continue to ask JDI to reconsider its action, especially considering this is a single-source product for which there is no FDA-approved alternative. SNMMI is deeply concerned about the long-term effects of the increase on the volume of nuclear medicine lung scans.

To best act on that concern, SNMMI needs to separate anger from action—we need to engage in constructive activities that will benefit our patients and nuclear medicine. Many members have offered suggestions on how the SNMMI might help. We have considered each suggestion carefully and realistically. Many have suggested we complain to the FDA about the price increase. Although the FDA's mandate does not include pricing, be assured that we will urge the FDA to take this single-source situation into consideration if a viable alternative is submitted to them for approval.

Unfortunately, we operate in an environment in which radiopharmaceuticals are treated as drugs in order to obtain FDA approval but are often treated as "supplies" by Medicare, thus drawing a lower reimbursement. Our efforts to seek changes to the drug approval process at FDA and to gain appropriate reimbursement at CMS are ongoing. Our current strategic plan, developed last year by the SNMMI Board of Directors, positions both these issues as top priorities, and we have two very active task forces working to improve the situation. We hope the net result will be a market with reasonable, workable price increases.

If you would like to learn more about the society's MAA or other strategic plan priorities, please contact Susan Bunning, SNMMI Director of Health Policy and Regulatory Affairs, at sbunning@snmmi.org.