

CMS has just issued severe cuts to Medicare reimbursement, including a 6% payment cut for community cancer care and elimination of consultation codes.

The CMS cut to cancer care is based upon the flawed survey data provided to CMS by the AMA, which is why COA was opposed to the AMA survey.

It is imperative that all practices complete the Components of Care Survey immediately, so that community oncology has data to refute the flawed AMA data.

It is also imperative that you reach out to Members of Congress to co-sponsor H.R. 2872, the National Quality Cancer Care Demonstration Project, as well as H.R. 1392/S. 1221 to fix drug reimbursement.

These bills provide additional funding for community cancer care.

The Centers for Medicare & Medicaid Services (CMS) has issued a proposed rule for the 2010 Medicare Physician Fee Schedule. Among other provisions are cuts to imaging services, elimination of the consultation payment codes, attempts to reinstate the Competitive Acquisition Program (CAP) for Part B drugs, and the 21.5% cut in payments to all physicians scheduled for 1/1/10 unless Congress acts to overturn this.

However, most significant, but not surprising, is an additional 6% cut in Medicare payments to community oncology practices effective 1/1/10. This is because CMS has used the data provided to the agency by the American Medical Association (AMA) in its Physician Practice Information Survey. Based on the data provided by the AMA to CMS, it shows that practice expense for community oncology has actually decreased by 8.3%.

Community oncologists, mid-level providers, nurses, practice administrators, accountants, and policy experts reviewed the AMA survey last year and concluded that it was fundamentally flawed for community oncology. In a formal letter from COA to the AMA last year Dr. Harry M. Barnes objected to the survey and summarized the reasons why it would not accurately capture oncology practice expense. The problem is not that CMS is basing these cuts on only 50 usable AMA surveys provided by medical oncologists. The real problem is that the AMA survey is fundamentally flawed and incapable of capturing the complexity of cancer care delivery. This is why COA so strongly objected to the AMA survey and launched the Components of Care Survey, which was designed by community oncology to accurately capture the clinical and operational components of delivering cancer care.

If community oncology practices do not act now they will experience a 6% cut in Medicare payments. Additionally, depending on how Congress addresses the scheduled 21.5% cut in physician payments, community oncology practices could be looking at additional payment cuts. Given that many in Congress want to create a public plan based on Medicare rates in order to force private insurers to lower rates, this is a true crisis point for community oncology.

COA will be meeting with CMS and the congressional leadership to protest these significant cuts. However, as we have repeatedly said, community oncology will continue to experience cuts until it has its own data to explain and document exactly what is required in

delivering cancer care. COA is fighting harder than ever for community oncology. And those practices coming to DC on July 8th to Stand Up for Cancer Care will be sharing this new information with Members of Congress.

What should you be doing to deal with this crisis?

First, complete the **Components of Care Survey IMMEDIATELY**. Details can be found on the COA website at <http://www.communityoncology.org>. If community oncology does not have data to refute flawed AMA data, these cuts and others will continue.

Second, reach out to your Representatives to ask them to co-sponsor H.R. 2872, which is the National Quality Cancer Care Demonstration Project. This is the only national demonstration project that is focused on quality cancer care and open to all community oncology practices nationwide. It provides \$300 million in additional funding for appropriate payment for services provided.

Third, reach out to your Representatives and Senators to ask them to co-sponsor H.R. 1392 and S. 1221, identical bills that correct the prompt pay problem that artificially reduces any drug reimbursement based on Average Sales Price (ASP).

There is information on all these bills to share with your Members of Congress on the COA website (<http://www.communityoncology.org>).

COA will be providing additional information and details on all of this and more. It is critical that community oncology be fully engaged during these very challenging times when the cancer care delivery system is threatened by major healthcare reform and relentless cost cutting.

For further information or comments, please contact:

The Community Oncology Alliance

1101 Pennsylvania Ave., NW

Washington, DC, 20004

202-756-2258

www.communityoncology.org

Patrick Cobb, MD, President

David Eagle, MD, Vice President

Robert Hermann, MD, Secretary

Ted Okon, Executive Director

Mary Kruczynski, Director of Policy Analysis