

FACT More than 680 medical centers, hospitals, cancer clinics, and practices across the U.S. are ACCC members. This group treats 40 percent of all new cancer patients seen in the U.S. each year. ACCC members also include more than 390 individual members and 18 state oncology society chapters.

FACT Only ACCC represents the entire interdisciplinary team caring for oncology patients, including medical, radiation, and surgical oncologists, oncology nurses, cancer program administrators, oncology social workers, pharmacists, radiation therapists, and cancer registrars.

FACT ACCC is committed to federal and state efforts to pass legislation that ensures access to off-label uses of FDA-approved drugs and clinical trials for cancer patients, appropriate reimbursement to physicians for drugs administered to Medicare patients, and other patient advocacy issues.

FACT ACCC provides information about approaches for the effective management, delivery, and financing of comprehensive cancer care through its national meetings, regional symposia, and publication of oncology patient management guidelines, standards for cancer programs, critical pathways, oncology-related drugs, and *Oncology Issues*.

FACT Membership in ACCC will help my organization/me better serve patients and will foster my professional development.

Please send membership information:

Name: _____

Title: _____

Institution: _____

Address: _____

City/State: _____

Phone: _____

Fax: _____

E-mail: _____

✉ Return to ACCC, 11600 Nebel St., Suite 201, Rockville MD 20852-2557/Fax: 301-770-1949.

Once Again with Feeling

by Lee E. Mortenson, D.P.A.

On the bright side, as we enter the New Year, you will find a distinctly different *Oncology Issues*. To better serve you, we have chosen a more reader-friendly design and added new departments that focus on new oncology products, new web sites, and new off-label indications for cancer drugs. Plus, you'll find more in-depth stories on financial, programmatic, and legislative topics of vital interest to oncology health care professionals. We hope you'll like our new look.

On the downside...a catastrophic funding decision from the Centers for Medicare and Medicaid Services (CMS, formerly HCFA) at the eleventh hour implements deep cuts in hospital reimbursement for drugs starting perhaps in April 2002.

Whew! The struggle continues.

The new rule on ambulatory payment classifications (APCs) may reduce sole-source drug reimbursement to average wholesale price (AWP) minus 24 percent, multi-source drugs to AWP minus 31 percent, and generics to about AWP minus 50 percent. Moreover, the rule does not include a provision for covering pharmacy costs associated with dispensing the drugs. Such costs are usually covered in the indirect cost portion of the cost report, but CMS has not provided any payment for them. The agency contends that pharmacy costs are covered in the chemotherapy administration codes. Phooey!

The chemotherapy administration codes for hospitals went up (in part because some device costs were "folded in"), but they do not cover the direct costs of chemotherapy administration. Our data from previous research show that, at best, chemotherapy administration codes

now cover 90 percent of costs, not including pharmacy. This is, of course, an increase from the 46 percent that it covered last year.... And we've also received sharp increases in the radiation oncology component, which we (and ASTRO) were able to get through the HCFA APC Panel.

On the office reimbursement front, the session end-maneuvering is heated. While the cancer community attempts to get a study by the Institute of Medicine about the practice expense issue, two House committees are seriously entertaining legislation to cut drug reimbursement on the office side to some surrogate for acquisition costs. The two versions are different in complexity, but have the same result: no dollars above actual costs. Whether the IOM study will be funded or whether it will take 18 months as designed, the answer remains unclear. The tolerance by Congress for a long study—and a two-year wait before it reduces drug margins—is likely to be slim.

The controversy is over the upside for physician offices. The American Society of Clinical Oncology has been lobbying hard for full coverage, while the committees have been scoffing at the suggestion. The House committees want to cover costs in the neighborhood of \$50 million, about a tenth of the "savings" from the reduction in drug margins. So, there is considerable disagreement on the final amount and how it will be figured.

Will it be an IOM study taking 18 months or a CMS study taking 6 months? By the time you read this, the answer should also be available on ACCC's web site (www.accc-cancer.org). As always, it's a good idea to stay tuned in to what's happening. ☐

