Are you a member

of the premier education and advocacy organization for the oncology team—ACCC?

🗌 Yes 📃 Not Sure 🗌 No

If you answered "Yes" to the above question, Thank You for your support! And don't forget to visit ACCC's Members-Only Web Site for great educational opportunities.

• If you answered "Not Sure," log onto ACCC's web site (*www.accc-cancer.org*) to see if your organization is a member, and to learn how to take advantage of your membership. Or, if your organization is not a member, download the membership application and apply today!

• If you answered "**No**" to the above question, we'd like to hear from you! Go to ACCC's web site, download the membership application, and apply today!

Today's cancer programs face numerous obstacles to providing quality cancer care to their patients. As the premier education and advocacy organization, ACCC stands ready to help all members of the multidisciplinary oncology team. We provide our membership with:

- Authoritative information on legislative and regulatory issues affecting the oncology community
- An extensive understanding of today's reimbursement climate, including the most recent changes and forecasts
- Educational and networking opportunities through two national conferences and free regional meetings
- Valuable leadership opportunities
- Support for state societies

ACCC is dedicated to providing these services; and ACCC membership remains an incredible value for the oncology team.

Cat and Mouse

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

2003 has already been quite a year for the oncology community. First, drug reimbursement for hospitals was drastically reduced. Then, CMS Administrator Tom Scully clearly stated that he intends to cut reimbursement for

drugs in the physician office setting, and *possibly* reinstate some money for medical oncologists in practice expense.

While the American Society of Clinical Oncology (ASCO) introduced The Quality Cancer Care Preservation Act (H.R. 1622), key staff on the House Ways and Means Committee

opposed the bill. On May 15, Senator Grassley (R-Iowa) introduced Amendment 594 to reduce drug reimbursement payments to 85 percent of average wholesale price (AWP). The entire oncology community rallied and spoke out against Amendment 594, and sure enough the Senate removed it.

So now what happens? Remember that what you see and hear is not always what's really going on in Washington, D.C. Indeed, in D.C. everyone puts a different spin on the same news, so much so that it's hard to tell who or what to believe. Frankly, my rule of thumb is to distrust *all* reports of good news (even if they're from me). And, I'm an optimist by nature!

Anyway, let's talk about what's really happening here. Fact: Both Congress and the Administration are focused on cutting medical oncology margins. This move should be no surprise to any of us, since we've been following this issue for so long that our kids have probably graduated from college while we waited for the other shoe to drop. Fact: We know that Congress is not happy with what it perceives to be a lack of cooperation from the medical oncology community in resolving this issue. (Although basically, what Congress is asking us to do is to hold the rope during our own hanging.)

The real issue is who gets credit for the "savings" (i.e., the money



saved by slashing drug reimbursement and giving practices a smaller amount back for practice expenses). Congress wants the savings because it will make its deficits look smaller. CMS would prefer to have Congress do the cutting, because if the cuts backfire and patient access is compromised, then the blame will rest solely on Congress.

CMS has even given Congress an artificial deadline, insisting that it will step in and do the cuts if Congress does not act.

While the Senate surprised everyone by being the first to take a stab at the savings, the House of Representatives has other ideas. Congressman Bill Thomas (R-Calif.) wants to cut drug reimbursement using a methodology called average sales price (ASP) to establish the price of the drugs "going out the door" of the manufacturer. The ASP methodology seems to be gaining in popularity as even ASCO's legislation (H.R. 1622) is based on ASP plus 20 percent to cover other drug costs (i.e., handling, storage, waste).

So, at the end of the day it was not the hard work of the oncology community that got the Senate to back off Amendment 594, but rather Congressman Thomas, who wants to put his proposal into another Medicare bill later this year. Before we cheer too loudly about the ASP proposal, we should look a little harder at ASP. And, perhaps we may even go back and say we would have preferred Senate Amendment 594!