

ACCC's Members-Only Web Site Has Arrived!

Point your browser to
www.accc-cancer.org,
click on the *Members-Only* link,
and register for your password
today!

ACCC members already enjoy a
wide range of benefits:

- Authoritative information on
oncology reimbursement and
program management
- Advocacy on federal and state
issues
- Support for state-level oncology
organizations
- Meetings and conferences
- Networking and leadership
opportunities

*And now they enjoy...The ACCC-
Members-Only Web Site!*

Starting in January 2003, ACCC's
Members-Only Web Site offers
exclusive members-only features
such as:

- The Center for Provider
Education to ensure your
program's economic viability
- Position descriptions for the
oncology team
- Oncology benchmarking tools,
monographs, and salary surveys
- "ACCC Members on the Move"
- Discussion groups
- Discounts
- *And much more!*

If you're already an ACCC member,
and have yet to take advantage
of this great resource, please
visit ACCC's main web site,
www.accc-cancer.org, click on the
Members-Only link, and register
for your password today.

If you're not an ACCC member,
you will not be able to log onto the
Members-Only site. The only way
to do so is to become an ACCC
member! What are you waiting for?
Visit ACCC's web site or call the
Membership Department at
301.984.9496, ext. 247, for more
information on joining.

**ACCC is the Premier Policy-
Setting Organization for the
Oncology Team!**

A Tough Year for Oncology

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

It gives me no pleasure to say
this year looks just awful for
oncology.

First, we have all oncology drugs
being paid at less than actual cost in
the hospital setting. And the newer
the drug, the more likely
it is being paid at less
than its actual cost.
Thomas Scully, the
administrator of the
Centers for Medicare
and Medicaid Services
(CMS), seems to think
that if he underpays hos-
pitals, pharmaceutical
companies will cut their
costs. Then, Mr. Scully
has a system that com-
putes what he is going to
pay hospitals using sin-
gleton claims rather than the monthly
combined claims that hospitals are
required to submit for oncology drug
delivery. So, of course, the only
claims that CMS is even looking at
are the aberrant ones. Unfortunately,
we can count on CMS continuing to
incorrectly underpay on the basis of
this bad data and methodology.

No matter how you cut it, paying
less than cost for drugs is hurting
hospitals, and a number of them are
doing the predictable—they are
beginning to limit or eliminate their
cancer programs. Although Mr.
Scully jawboned down the price of
Zevalin™ by refusing to pay for the
drug for Medicare patients, he is still
paying too little to hospitals that
must decide if they want to give the
drug at a loss. This grim situation is
pretty much the same one facing
every oncology drug on the market.

Interestingly, CMS is using the
same strategy with coated stents,
where CMS pays just half the cost.
If hospitals want to pony up the
difference just because these stents
apparently work better, that's their
problem. Naturally, we've now heard
from several hospital administrators

who are talking to cardiologists about
closing their programs rather than
face the liability of using an inferior
product. Who could blame them?

Clearly, oncology care provided in
the hospital setting does not look
very pretty for 2003.
What's more, similar chal-
lenges are facing physician
practices.

As you probably know,
CMS summarily rejected
ASCO's data. Oh, CMS
did it very nicely, saying
that it would "like to talk
about it." Still, CMS made
pointed remarks in the
Dec. 31, 2002 *Federal
Register* that ASCO's
arguments for a different
sample of oncologists

were weak and the data, which
suggested that non-physician costs
should increase by 300 percent and
that clerical and nurse salaries were
two to four times the national aver-
age, seemed a little off. Now CMS is
suggesting that it may have found
some of the problems with the
ASCO data, but nothing is going to
happen soon with regard to increas-
ing practice expense reimbursement
for medical oncologists.

What *is* happening right now is a
\$100 million decrease in drug pay-
ments from Mr. Scully. Later this
year he hopes to subtract another
\$400 million from reimbursements
for oncology drugs in the office set-
ting, so this is just the beginning of
the cuts.

Yes, ACCC is working with
Congress to fix these problems, but it
seems unlikely that anything is going
to happen quickly given a few other
headline-grabbing issues. Although
I'd like to say that these oncology
reimbursement issues will eventually
be worked out, we've all seen "fix-it"
legislation and regulations decimate
other health care industries before
they were corrected. ■

