



Action

Medicare Reimbursement in Private Offices— the Hot Topic at ACCC Meeting

"We are oncologists, so a great deal of optimism is innate," said José L. Gonzalez, executive director of the Association of Northern California Oncologists. "However, we have a one-year [Medicare] fix, and then we fall off a cliff."

Gonzalez joined 60 other leaders from state oncology societies, national oncology organizations, and patient advocacy groups who attended the Association of Community Cancer Center's 12th Annual Oncology Presidents' Retreat, held Feb. 6-7, 2004 in McLean, Va.,

He—and many others—expressed concerns about the changes in drug payments in physician practices under the Medicare Prescription Drug, Improvement and Modernization Act (DIMA) of 2003. Medical oncologists will see a dramatic reduction in reimbursement in 2005 because Medicare plans to eliminate its one-time 32 percent increase in reimbursement for drug administration at the end of 2004.

Several medical oncologists expressed their fear of the "terrible consequences" that these revised drug payment changes will have on their private practices. Some reported that the legislation would have a chilling effect on their ability to hire new oncologists and staff. Others said that the bleak reimbursement picture would compromise their ability to provide care to underserved areas.

Elizabeth Richter, director of the Hospital and Ambulatory Policy Group in the Centers for Medicare & Medicaid Services (CMS), was less pessimistic. When questioned about the one-time 32 percent increase in administration payments for 2004, Richter explained that Medicare policy changes on drug administration have been based, in part, on data from surveys conducted by the oncology specialty for practice expense on drug administration. Any more changes to payment adjustments in 2005 and beyond could be modified if the specialty submits additional survey data on practice expenses, Richter added.

The Bush Administration firmly believes the new law needs to be implemented first before changes can be considered, according to presenter Alan F. Eisenberg, MPP, MS, who is health and economics policy adviser to Congressman James C. Greenwood (R-Pa.). Congressman Greenwood serves on the Energy and Commerce Committee that has jurisdiction over Medicare and has had several years experience with work on AWP reform.

Eisenberg noted that the notion of introducing a bill on technical corrections to the new Medicare law would face a great deal of opposition in the Senate with all forms of amendments. "As a matter of politics and policy," said Eisenberg, "it would be difficult, if not impossible" to open up the Medicare reform law this year.

However, Eisenberg added, Congress will pay close attention to the results of studies being conducted by the Medicare Payment Advisory Commission (MedPAC) on access to care, payment to oncologists, geographic disparities, and the impact relative to the different size of physician practices.

ACCC Executive Director Lee E. Mortenson, DPA, called on the oncology community to work together

Oncology Issues

throughout 2004 so that oncologists in private practices can continue to deliver quality care to their patients. ACCC has been actively advocating for the interests of physician practices as well as for hospital cancer programs. The 12th Annual Oncology Presidents' Retreat was made possible through support from Eli Lilly and Co., and Ortho Biotech Products L.P.