

## ACCC's Annual Oncology Economics Conference Held in Portland

**M**ore than 500 cancer care professionals from the nation's hospital-based cancer programs and oncology practices gathered at the Association of Community Cancer Centers' (ACCC) 22<sup>nd</sup> National Oncology Economics

Conference, Sept. 13-16, 2005, to discuss the opportunities and challenges facing cancer care. The meeting was held in Portland, Oregon.

"In 2006 regulatory changes in Medicare drug reimbursement to hospitals could dramatically affect the services available to patients with cancer," explained ACCC Execu-

tive Director Christian Downs, JD, MHA. "The viability of small oncology practices may also be threatened. The proposed Medicare cuts to physician payments for services could negatively impact patients who receive treatment for cancer in the physician office."

ACCC's meeting explored the



ACCC President E. Strode Weaver, FACHE, MBA, MHSA, (left) presents Charles L. Loprinzi, MD, with ACCC's Annual Clinical Research Award for his significant clinical research activities, particularly in the area of prevention of symptoms related to cancer and cancer therapy. Dr. Loprinzi is a professor of oncology and the past chair of the Division of Medical Oncology at Mayo Clinic Rochester.



Patrick A. Grusenmeyer, MPA, FACHE, presented an overview of how to manage the revenue cycle from charge preparation and charge capture to claims production and payment processing. ACCC Board member and session chair Brenda K. Gordon, RN, MSN, OCN, is shown at left.



ACCC's first-ever pre-conference session for new cancer program and practice administrators drew more than 100 attendees.



An expert panel examined the nexus of patient safety and quality cancer care. Panel members included (from left) Gregory K. Sorensen, MD, medical director, Pediatric Specialty Care, Swedish Medical Center; ACCC President E. Strode Weaver, FACHE, MBA, MHSA; and Rodger Winn, MD, of the National Quality Forum.

rapidly changing reimbursement issues and evolving coverage policies that affect the delivery of quality cancer care. Experts addressed practical strategies for dealing with financial constraints on physicians and cancer programs and provided insight into new technologies and safety issues.

"The future outlook for oncology services in the hospital seems stable in the short-term, uncertain long-term," said Andrew Cheng, MD, PhD, in his "Report Card" on Medicare reimbursement. Medicare reimbursement to hospitals will be coming down in 2007, according to Cheng. He advised hospitals to analyze their chemotherapy profitability, re-evaluate physician partnerships, and understand their referrals. "Also, focus on surgical oncology. Surgery is half the pie, and surgeons are key to cancer program development." Inpatient and outpatient surgery can account for 48 percent of oncology service line revenues. Cheng is executive director, Innovations Center and Oncology Roundtable, with The Advisory Board Company.

Cheng predicts that small physician practices will look to partner with hospitals, other physician practices, or third-party entities and will be more likely to send all Medicare patients to the hospital for treatment. Large physician practices have the infrastructure in place to withstand 2006 Medicare cuts and are looking to diversify revenue streams through radiation therapy and diagnostics.

Deborah Walter, ACCC senior director of Policy and Government Affairs, examined how hospitals will be affected by the implementation of Medicare's proposed new 2006 payment methodology. In 2006, hospitals will be reimbursed for drugs using the average sales price (ASP) methodology. The proposed 2006 HOPPS rule calls for hospitals to be reimbursed at

## New Study Highlights Extent of Off-Label Drug Use

Proposed coverage policy may pose limitations for physicians who want to prescribe off-label drugs for cancer treatment, according to a study released on Sept. 15 at ACCC's 22nd National Oncology Economics Conference. The study was co-sponsored by ACCC, The Pharmaceutical Research and Manufacturers of America, Bio, and other advocacy groups.

Oncologists say that off-label use of anticancer therapies is essential in helping patients with rare and advanced cancers, reports Covance Market Access Services, Inc., which conducted the study. Many oncologists report that restrictive coverage policies cause them to change their treatment decisions. Fifteen of 28 oncologists interviewed report that Medicare non-coverage frequently or very frequently causes them to alter their treatment decisions, while eight report that private payer policies have this effect.

"Oncologists place high importance on off-label use of anticancer medicines in caring for their patients," said Deborah



Walter, ACCC senior director, Policy and Government Affairs. "It is imperative to recognize the wide range of medically appropriate off-label uses and evidence sources that oncologists rely on to support such uses.

"Further study is needed to assess the extent that coverage and reimbursement policy impacts patients' ability to receive off-label anticancer therapies," added Walter.

For its study, Covance interviewed oncologists and oncology practice managers from across the country to better understand trends in off-label use of cancer treatments. Covance also researched coverage and reimbursement policies for off-label anticancer therapies followed by local Medicare carriers and private payers. The study revealed that nearly 70 percent of oncologists interviewed think off-label use of cancer treatments is important in their overall treatment plans for patients. ❏

ASP +6 percent for drugs. In addition, the rule proposes an additional 2 percent add-on payment for select drugs to cover pharmacy overhead and handling costs associated with drug administration.

An ACCC survey of hospital oncology pharmacists revealed that pharmacy handling and overhead costs may account for approximately 30 percent of total drug costs. In stark contrast, the Centers for Medicare and Medicaid Services (CMS) is proposing to pay hospitals only 2 percent to cover these costs in 2006. "To reach a reasonable compromise, ACCC is proposing that CMS implement a pharmacy service and handling add-on of at least 8 percent of average sales price (ASP)," said Walter.

In addition to economic and regulatory issues, ACCC presented sessions on the present and future of cancer care in both hospitals and

practices. A well-attended session focused on developing a culture of safety and reliability, which is critical to quality cancer care. Rodger J. Winn, MD, of the National Quality Forum in Washington, D.C., joined a panel of experts to explore the challenges cancer programs face as they monitor events that put patients at risk and work to improve procedures. "All stakeholders must be involved in quality," said Winn, "and we must instill a culture of quality in oncology."

"According to an Institute of Medicine (IOM) report, studies show that between 44,000 to 98,000 patients die from medical errors each year," said ACCC President E. Strode Weaver, FACHE, MBA, MHSA, and a panel member. "Many of these deaths are preventable. Developing a culture of safety is a key step toward reducing these numbers." ❏