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# The President's Plan

President Clinton's health care reform package has special implications for oncology providers and cancer programs, Lee E. Mortenson, D.P.A., ACCC Executive Director, told attendees at ACCC Regional Reimbursement meetings in Minnesota and Massachusetts last month. On the good news side, the plan offers universal access by the end of 1997 and an end to pre-existing condition problems, which have been a major issue for cancer patients and their families.

"Congress will adopt much of this legislation by the end of the year when they have to go home and face their constituencies," said Mortenson, emphasizing that the plan will obviously be modified in a number of ways. "It is a mistake, however, to assume that the Republicans or the conservatives are going to kill the basic ideas," he said, noting that the financing of the plan and use of global budgets are going to be the subject of the greatest debate.

Among the provisions of the plan of special interest to cancer programs and oncologists:

- *A Breakthrough Drug Committee determines whether the launch price of drugs is appropriate based on data from seven countries and other products in the same therapeutic category.* While the Committee cannot change the price of the drug, it can issue reports. The Secretary of DHHS can negotiate lower prices, require a pre-approval call to DHHS, or determine that a drug cannot be used for Medicare patients at all.
- *States are given the power to set up single payor systems, including ERISA and all Medicare, Medicaid, and commercial insurance patients.* "This is a powerful club for states," said Mortenson, "giving them some significant leverage over reluctant insurers and providers."
- *Patient management guidelines are pervasive throughout the plan, including part of the malpractice package.* "According to the plan, if you follow the guidelines, then you are exempt from malpractice, a reasonably powerful incentive to develop guidelines," said Mortenson.
- *Off-label provisions from the Rockefeller-Levin bill and OBRA '92 are incorporated in the package, but only for Medicare patients and not explicitly for those under age 65.*
- *Clinical trials are covered, but only up to the costs of routine conventional care.* Extra money is made available to academic institutions to cover the extra costs of trials, but does not appear to be available to community institutions (see Dr. Mortenson's related editorial on page 3).

"Of course, it is easy for health care providers to be critical of this package," said Mortenson, "but it is premature to say that part or all of it should or will be scrapped. It is more likely that some of the objections will need to be addressed by Congress. It is important to note that the people who will really be making the decisions about limiting care and research will now be us. The local physicians, facilities, and insurers who will win these competitive contracts will set the parameters on what they can afford to do."

The plan suggests that the package be implemented in all states by January 1, 1997.

Among the other features of the plan that are of interest for oncology:

- ERISA, the legislation that governs self-insured companies, will be required to parallel the basic benefits package offered to other employees. It may be taxed by local states and will only be applicable to companies larger than 5,000 employees nationally.
- Prevention and screening are emphasized in the plan, with markers such as the number of mammograms per thousand women suggested as a measure of competitive plan quality.
- Self-referral provisions are strong, paralleling other federal legislation.
- Some relief from CLIA regulations is proposed, although its applicability to oncology offices is questionable.

## A WIN FOR OFF-LABEL

Using language that is identical to ACCC's uniform bill language recently adopted by 10 state legislatures, Congress incorporated the Rockefeller-Levin off-label provisions in the Budget Reconciliation package. Beginning January 1, 1994, citation in any one of the three compendia assures that Medicare must pay for a chemotherapy or biological agent for that indication. The package was signed into law by President Clinton.

"A great deal of the credit for this action goes to ASCO, and ASCO's hard-working staff, to the hundreds of oncologists who wrote and worked with their Congressional members, and to the state society leaders who worked with our staff to set a precedent by passing the legislation at the state level," said Albert B. Einstein, Jr., M.D., ACCC's President.

Many other organizations also contributed, noted Einstein, citing the efforts of the Oncology Nursing Society, the American Cancer Society, the National Coalition for Cancer Survivorship, and the Medical Group Management Association, as well as the ACCC.

In passing the law, Congress joins Illinois, California, Massachusetts, Indiana, Georgia, Hawaii, Oklahoma, Michigan, New York, and North Carolina, which have passed versions of the ACCC uniform legislation on off-label use. ■