



United We Stand

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United We Stand

by Jamie Young

A recent event in Indiana, Ohio, and Kentucky has brought the members of the Indiana Medical Oncology Society, an ACCC state chapter, to their feet like no other threat in the last five years.

The merger of three Blue Cross/Blue Shield plans in Indiana, Ohio, and Kentucky has led to the creation of Anthem Blue Cross and Blue Shield. The new entity is implementing sweeping changes for its providers. In a letter to providers, Anthem Blue Cross and Blue Shield announced that effective January 1, 1996, it will implement a Resource Based Relative Value Scale (RBRVS) for professional providers who participate in any of their six owned or managed plans. "The intent of converting to the RBRVS system is to render more equitable compensation to physicians," stated the letter. "RBRVS also will allow for a more accurate establishment of pricing levels and a more logical system based on resources utilized. Long term, this should result in more cost-effective use of health care services." The letter itself and the move to an RBRVS system generated little response from the Indiana Medical Oncology Society.

However, on November 17, the ACCC Columbus office was contacted by a Ft. Wayne oncologist. In what has turned out to be a very fortuitous event, his business manager had attended a Medical Group Management Association state meeting the previous day at which a representative of Anthem BC/BS presented a slide presentation regarding the RBRVS changeover. She was the only oncology manager at this particular meeting. On the seventh page of the handout accompanying the presentation, which was made up of copies of the slides, was this information: Injectable Drugs,

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Both Fee Schedules = AWP minus 12 percent + \$3.00 handling charge, currently: billed charges.

The business manager immediately recognized this change as disastrous for her practice and those of other oncologists and questioned the presenter. What was learned was that this would take effect on January 1, 1996, and that a mailing regarding this change would go out in mid-January retroactive to January 1! This information was faxed by this business manager to other oncology practice business managers around the state of Indiana.

The Indiana Medical Oncology Society, through IMOS President Raymond M. Harwood, M.D., quickly initiated several attempts at communication with the company, which early on were deterred when the society's phone calls were not returned. After much effort, a meeting was arranged for December 18, after an earlier meeting had been canceled by the insurer. The Indiana society invited representation from the Kentucky Oncology Society as well as the Ohio/West Virginia Oncology Society to also attend the meeting. In addition, the Indiana society began to work with an attorney to protect its rights.

The meeting took place as scheduled on December 18 and lasted nearly three hours. The Indiana society presented a position paper detailing the additional costs that go into providing chemotherapy in the office above and beyond the cost of the drug. "The quality of cancer patient care is being threatened by a proposal that does not adequately compensate our members for the costs of chemotherapy," the statement read. The society noted that reimbursement of only actual acquisition cost fails to cover costs that are directly related to use of drugs, including spillage, wastage due to expired product and partially used vials, and administrative expenses in ordering drugs. Anthem BC/BS and its representatives expressed concern

that this proposal was such an issue. They claimed that the reason it was not communicated in the November 15 letter was that they considered it a minor part of the overall change to an RBRVS. Furthermore, it was their understanding that physicians were receiving discounts of 15-20 percent below AWP and would therefore be making a fair margin on drugs even at AWP minus 12 percent. While the three societies countered these fallacies, they now await the response from the company. The societies already know that the proposed changes have been entered into the insurer's computers and nearly all components will kick in on January 1, 1996. However, the company stated that the percentages can be altered before that time.

What was clear to the oncologists, they said, was that the company needed the oncologists as much, if not more, than they needed Anthem BC/BS. If the oncologists are faced with treating patients at a loss in their office, the patient will be shifted to a more expensive setting for treatment. At a time when insurers are trying to keep costs as far down as possible to remain competitive, they cannot afford to cut their own throat.

Clearly, there continues to be a strong need for state oncology societies, particularly at a time when the insurance industry is trying to ratchet down costs to keep their products competitively priced. When a real threat emerged in Indiana the members responded, as did the leadership of the Kentucky and Ohio societies, to requests to stand up and voice their concern.

The implications for cancer patients and oncology providers is clear. Never let your guard down. Support and participate in the organizations that represent you so that when the time comes that quality care is threatened, we can respond quickly and with a strong, united voice. ■