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Oncology Reimbursement: How It Affects You

At ACCC's May 28, 1998, kick-off oncology reimbursement symposium in New York City, which was cosponsored by the New York State Society of Medical Oncologists & Hematologists, Inc., ACCC Executive Director Lee E. Mortenson, D.P.A., summed up the reality of an increasingly restrictive reimbursement environment: "We have moved from medicine that is evidence-based to medicine that is opinion-based to market-based medicine—with managed care organizations, and even the federal government, judging treatment not by its effectiveness but by its cost."

Mortenson reported that in 1997 the number of HMOs increased, along with patient enrollments. However, less than half of HMOs reported profits for that year. As a result, HMOs are cutting back on programs and services they will pay for, and physicians and their patients are being squeezed.

The federal government is following suit. Mortenson related specific instances in which HCFA officials expressed a reluctance to cover supportive care therapies.

Recently released preliminary information on how HCFA plans to implement Ambulatory Payment Classifications (APCs) also exemplifies the trend toward market-based medicine in oncology. According to Mortenson, the fact that APCs were originally known as Ambulatory Patient Groups speaks for itself. "This is another example of a payer placing more emphasis on payment than the patient."

Under the APC system, HCFA may bundle payment for chemotherapy administered in hospital outpatient departments into four classifications, or "baskets," based on 1996 data for a particular

grouping of drugs. Mortenson outlined several problems with HCFA's proposal:

- HCFA is basing its basket of chemotherapy cost estimates on data that are wildly out of date. The agency is ignoring the dozens of new agents and indications that have emerged over the last eighteen months and has no plans to adjust future estimates to reflect the costs of new cancer agents in the pipeline.

- Bundling chemotherapy and supportive care drugs together may force cancer programs to eliminate supportive drugs from treatment regimens.

- Facing significant pressures to cut costs, hospital outpatient departments are likely to lessen use of newer agents, simply because they may not be able to afford them. As a result, patients will suffer from a lack of access to the newest and possibly most effective cancer therapies.

A response similar to the campaign to oppose HCFA's proposed Stark II regulations will be required to contest this latest affront to appropriate reimbursement for cancer therapies, Mortenson said. Last spring hospital administrators and medical directors were mailed a packet of information and instructions for responding to HCFA and their representatives in Congress about APCs. Mortenson also urged attendees to alert their hospital CEOs to the potential detrimental effects of APCs on hospital outpatient cancer programs.

If you have not received this APC packet, please call the ACCC Executive Office at 301-984-9496.

CALL FOR NOMINATIONS

The ACCC Nominating Committee is soliciting nominations for the following 1999-2000 board positions:

- President-Elect

- Treasurer

- Five Board seats

The term of President-Elect is one year. The Treasurer and Trustee positions are two-year terms. Although nominees are not required to be the voting representative, they must represent an ACCC Active member institution, organization, or chapter.

Letters of nomination should be sent to the ACCC Executive Office, citing the nominee's name and his or her respective membership affiliation (institution, organization, or chapter), along with a copy of the curriculum vitae. Nominations must be received no later than December 1, 1998.

For information about the nomination process, contact the ACCC Executive Office at 301-984-9496; Fax: 301-770-1949.

CALL FOR AMENDMENTS TO BYLAWS

Any delegate representative who wishes to suggest a bylaws change must inform the ACCC Executive Office of that intent no later than December 1, 1998, for consideration by the House of Delegates in March 1999. According to the ACCC Bylaws, adopted March 1984 by the House of Delegates, "Bylaws may be amended by the vote or written assent of two-thirds of the Delegate Representatives voting. Written notice of proposed Bylaws amendments must be sent to voting members at least 30 days prior to the meeting at which they are to be acted on."

All suggested amendments should be sent to: ACCC, 11600 Nebel St., Suite 201, Rockville, MD 20852. Phone: 301-984-9496; Fax: 301-770-1949.

CLINICAL RESEARCH AWARD

The Association of Community

Cancer Centers is soliciting nominations for its annual Clinical Research Award. The 1999 Clinical Research Award will be presented to an individual, or individuals, whose research has significantly and positively impacted the oncology patient, family, and/or community at ACCC's 16th National Oncology Economics Conference in Long Beach, Calif. A special award luncheon is held at the conference to honor the award recipient. The recipient will receive a cash award and a plaque commemorating the event. Previous honorees include Betty Ferrell, R.N., Ph.D., F.A.A.N., Henry Lynch, M.D., Rodger Winn, M.D., Drs. James and Jimmie Holland, E. Donnell Thomas, M.D., and Vincent DeVita, Jr., M.D.

To submit a nomination, please send a letter (minimum two paragraphs; maximum two pages), with your name and telephone number, stating why you believe the individual is qualified to receive this award. Please submit nominations to the ACCC Executive Office, 11600 Nebel Street, Suite 201, Rockville, MD 20852-2557 (Fax: 301-770-1949) no later than November 30, 1998. If you need further information, please contact the ACCC Executive Office at 301-984-9496.

NEW ONCOLOGY SYMPOSIA ANNOUNCED

Six more regional oncology reimbursement symposia have been confirmed for this fall:

- October 7, Manchester, N.H. (sponsored by Ortho Biotech Inc., Genentech BioOncology, and Eli Lilly and Company)
- October 13, Austin, Tex. (sponsored by Eli Lilly and Company and Ortho Biotech Inc.)
- October 27, Tampa, Fla.



Speaking at the May oncology reimbursement symposium was Joseph S. Bailes, M.D., F.A.C.P., president-elect of the American Society of Clinical Oncology and chairman of ASCO's Clinical Practice Committee. He

addressed the growing concern over a recent increase in reimbursement denials for approved off-label indications. "There are so many new drugs out there; thus exponentially the number of off-label uses also has increased," explained Bailes, who believes that the rise of denials most likely stems from payers' inability to keep up with the many changes, rather than any malicious attempt not to reimburse. More than ever, he said, physicians and their office staff must actively appeal denied claims to educate payers about the many new drugs and their off-label indications. At right is Edward P. Ambinder, M.D., treasurer of the New York State Society of Medical Oncologists and Hematologists, Inc.

Kathleen Smith, R.N., C.N.N., a Washington, D.C.-based health policy associate for the Oncology Nursing Society, outlined the ONS position on quality care at the May 28 oncology reimbursement meeting in New York City. "A primary focus on cost by payer and delivery systems signals an intention to limit access to essential components of care," she stated. "There is a moral obligation to make decisions guided by quality, rather than by cost alone, in all health care restructuring efforts." At left is David K. King, M.D., F.A.C.P., chair of ACCC's Ad Hoc Committee for Reimbursement.



- (sponsored by Eli Lilly and Company and Ortho Biotech Inc.)
- November 17, Seattle, Wash. (sponsored by Ortho Biotech Inc., Genentech BioOncology, and Bristol Myers Squibb)
- November 19, Denver, Colo. (sponsored by Eli Lilly and Company and Ortho Biotech Inc.)

- December 1, New Orleans, La. (sponsored by SmithKline Beecham Oncology and Genetics Institute).

If you reside in or near one of these selected meeting areas, please check your mail in late summer for a brochure with meeting agenda and registration form. ☐