

# **Oncology Issues**



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# Of Russian Roulette and an APC Fix

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umors to the contrary, I'm not much of a risk taker, especially in a threatening situation over which I have little control. But sometimes when the cause is important enough, you have to take the risks and do battle.

Case in point: fixing the Ambulatory Payment Classification (APC) system for oncology. Working with Congress, the Health Care Financing Administration (HCFA), and a cast of thousands to fix the APC system is like playing Russian roulette with a lot of other players holding the gun and spinning the barrel. Since the scenario changes a couple of times a day, watching this play is unnerving, to say the least.

As of this writing, Congress has figured out that there is a problem with the Balanced Budget Act (BBA), in particular the Outpatient Prospective Payment System (OPPS). Moreover, there is no question that everyone on Capitol Hill, in the White House, and within HCFA has received our message that cancer reimbursement is a mess.

To give you an idea of what life is like inside the Beltway pressure cooker, here is how the play is going. Congressman Bill Thomas (R-Calif.) and the House Ways and Means Committee have developed a solution for oncology that will provide a level playing field in both hospitals and practices, that is, AWP minus 5 percent. Their proposed solution is a little complicated, but it is something I believe we could live with. We asked The Lewin Group, a health care consulting company, to run the numbers for us, comparing AWP minus 5 percent versus current payments. While the analysis was preliminary, it appears that the numbers are comparable. This proposal would

# FROM THE EDITOR

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by Lee E. Mortenson, D.P.A.

be in effect for three years, while HCFA reformulates the APCs for oncology and supportive care drugs.

Also on the House side, the Commerce Committee is looking at a fix that would keep the existing cost report for chemotherapy and supportive care drugs for four years.

On the Senate side, Senator Roth sent a letter to HCFA telling it to fix APCs administratively. If HCFA could fix the problem administratively, then Congress would not have to use some of its scarce supply of "surplus" dollars to fix it. Of course, this back-andforth banter is all just musical chairs with funny money.

While the Senate Finance Committee had its own version of the BBA solution, members liked the Rep. Thomas suggested fix better. They threw out their own and adopted his, which we much prefer.

At the eleventh hour, HCFA has told Congress that it will solve all these problems administratively, creating new APCs for chemotherapy, supportive care, and other high-cost items. I have to say, I think this is a sucker-punch move: "Tell Congress you can fix the problem. Get them out of town... and then, we'll see!"

Late reports from the Hill are that Congress agreed and ignored the HCFA proposal.

By now you probably have the idea. At any moment we could be all right...or dead. Still, we have much to be proud of. Twenty months ago, the notion that APCs might have a negative effect on oncology was just a fear voiced by a few of us paranoid types.

Our persistence as a community has put us on the Capitol Hill billboard. At the end of the day will our efforts and risk taking make a difference? I believe they already have.