

ACCC's Ninth Oncology Presidents' Retreat

A New Administration and Continued Threats to Cancer Care

Leaders from national oncology associations, state oncology societies, and cancer patient advocacy organizations were briefed at ACCC's Ninth Oncology Presidents' Retreat, held February 8-10, 2001, in McLean, Va., about the oncology community's full public policy agenda in 2001. Potential challenges and threats that await us include a General Accounting Office (GAO) study on drug pricing and practice expense payments under Medicare, legislative and regulatory action on average wholesale price (AWP) of cancer drugs under Medicare, the serious impact on oncology private practices and hospitals of the oncology nursing shortage, and more.

"Foremost on the agenda is educating staff on Capitol Hill about the complex issues of concern to the oncology community," said Lee E. Mortenson, D.P.A., executive director of the Association of Community Cancer Centers. "The shift in the political scene in the nation's capital with a new Republican Administration and changes in chairmanship in key congressional health committees means a strong

advocacy position for oncology must be continued in 2001."

The good news is that important new incoming committee chairs in the House of Representatives have been longtime advocates of Medicare reform. These new chairs in the House include William M. Thomas (R-Calif.) of the Ways and Means Committee, Nancy L. Johnson (R-Conn.) of the Ways and Means Health Subcommittee, W.J. (Billy) Tauzin (R-La.) of the Energy and Commerce Committee, and Michael Bilirikas (R-Fla.) of the Energy and Commerce Health and Environment Subcommittee. In the Senate, Charles E. Grassley (R-Iowa) is the new chair of the Finance Committee and James Jeffords (R-Vt.) is chair of the Health, Education, Labor and Pensions Committee. What's more, the new Secretary of the Department of Health and Human Services, Tommy Thompson, is a member of the National Dialogue on Cancer, Mortenson said.

A key issue of concern to the oncology community is a GAO study, mandated by Congress, to study drug pricing and practice expense payments. The study will

also look at how Medicare should define drug therapies within its payment system. "The purpose of the GAO study is to make certain that Medicare payment rates are sufficient to ensure access to care," said Alan K. Parver, J.D., managing partner with Powell, Goldstein, Frazer, Murphy, LLP, in Washington, D.C. The study and its recommendations will be submitted to Congress and the Health Care Financing Administration (HCFA) in perhaps as early as nine months. A provision of the Benefits Improvement and Protection Act (BIPA) passed by Congress in 2000 directed HCFA to halt its plans to redefine AWP and authorized the GAO to conduct the drug pricing and practice expense study.

Health research economist Allen Dobson, Ph.D., senior vice president of the Lewin Group in Falls Church, Va., urged oncology leaders to prepare themselves by gathering data on oncology ambulatory chemotherapy and private practice expenses, which can then be presented to HCFA to affect policy changes.

Dobson, a past director in HCFA's Office of Research, said only with hard data can oncology leaders convince HCFA that the "spread" between drug payment and cost is legitimate and not so-called "cheating," as many have alleged.

The American Society of Clinical Oncology (ASCO) indicated that it plans to work with HCFA and the GAO to collect and evaluate data on payments for chemotherapy administration and other oncology service reimbursement issues among oncology private practices. ACCC indicated that it plans to look at the practice side of the equation and will take the lead in helping to collect data on the hospital side.



Leaders from many of the nation's cancer patient advocacy organizations gathered for their own briefing about legislative and regulatory issues.

On the issue of oncology drug reimbursement in hospital outpatient cancer programs, said Dobson, Lewin's most recent study for ACCC indicated that AWP minus 5 percent is currently a break-even payment level. Any further payment reductions might reduce access to patient care. Unfortunately, HCFA has granted only a two- to three-year interim payment mechanism of AWP minus five percent, which might then be reversed.

APCS AND HOSPITALS

Many hospital outpatient cancer centers are facing revenue problems since the implementation of ambulatory payment classifications (APCs) in August 2000, said Mary Lou Bowers, M.B.A., managing director of the consulting firm ELM Services, Inc.

"Hospitals, too, are walking down the path of non-reimbursement," Bowers said.

Hospitals are having serious problems adjusting to the new reimbursement system. They are using technical codes inappropriately and not appealing rejected or denied bills. In addition, pharmacy and clinical systems are not communicating with billing or medical records. "Hospital departments are working in silos," Bowers said, and not communicating with one another. She added that current hospital financial systems are not designed to produce needed reports, and hospital chargemasters are too complicated and often incorrect.

Senior officers in hospitals must be better educated about the value of outpatient oncology services to the overall bottom line and the need for more careful financial oversight, according to Bowers. One comprehensive cancer center, Bowers noted, is losing \$100 mil-



Joseph DiBenedetto, Jr., M.D., F.A.C.P., (left) president of the Society of Rhode Island Clinical Oncologists, and Denis B. Hammond, M.D., secretary/treasurer of the Northern New England Clinical Oncology Society, discuss concerns at ACCC's Oncology Presidents' Retreat.

lion a year under the APC system because of bad communication, lack of appeals, and faulty coding.

STRATEGIC INITIATIVES FOR STATE SOCIETIES

At the Presidents' Retreat, leaders from 41 state oncology societies shared their experiences on individual state initiatives and ways to effectively enhance their organizations.

To help membership recruitment and retention, the Medical Oncology Association of Southern California (MOASC) has focused on identifying the value of belonging to the state society, said MOASC President Cary A. Presant, M.D., F.A.C.P. Included in the value items he mentioned are providing business and management advice, answering questions about billing and collection, and serving as a vehicle for networking with members to share problems and solutions.

"Membership recruitment and retention ultimately depend on the vision and enthusiasm of the society's leadership (officers and board) and staff," said Presant. "Otherwise, members drop out."

Oncology societies have enough clout to influence state regulatory initiatives and reimbursement policy. For example, the South Carolina Oncology Society (SCOS) has developed new strategies to reverse the impact of threatening regulatory action by the state tax commissioner, said SCOS Immediate Past President Lawrence B. Holt, Jr., M.D., F.A.C.P. The society became more proactive by electing a "go-getter" leadership and established a more effective communications net-

work for state members. This communications strategy included e-mail and fax updates on legislative issues, and information on oncology-related meetings at the national and state level, including Medicare Advisory Committee meetings.

Failing to win a long legal battle to kill a 5 percent user sale tax on chemotherapy drugs in the oncology practice, the state society decided to hire a legal team, who helped convince state lawmakers to kill the user sales tax through legislation.

ACCC's Oncology Presidents' Retreat has traditionally served as a forum for consensus building across the oncology provider leadership. This year, leaders from 41 state oncology societies attended the retreat. National organizations represented included: the American Society of Clinical Oncology, the American Cancer Society, the American Society for Therapeutic Radiology and Oncology, the National Hospice and Palliative Care Organization, the Council of Affiliated Regional Radiation Oncology Societies, the American College of Radiation Oncology, the Association of Oncology Social Work, the Oncology Nursing Society, and the American Society of Hematology. Several patient advocacy organizations were in attendance, including the National Patient Advocate Foundation, the National Coalition for Cancer Survivorship, the National Alliance of Breast Cancer Organizations, and the Alliance for Lung Cancer Advocacy, Support and Education. Sponsors of this year's retreat were Ortho Biotech, L.P., and Eli Lilly and Company. ■