



Friday, February 12, 2016

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### **Energy & Commerce Leaders Seek Comments on Site-Neutral Reform Provision**

The House Energy & Commerce Committee is seeking formal comments from healthcare stakeholders on the site-neutral payment provision included in the Bipartisan Budget Act of 2015. **Read below.**

### **President Obama Releases FY2017 Budget Proposal**

On February 9, President Obama proposed a \$4.1 trillion budget for the federal government for Fiscal Year 2017, which reduces Medicare spending by an estimated \$470 billion over a decade. **Read below.**

### **The US Oncology Network Submits Comments on Stark Law Improvements**

The US Oncology Network provided formal comments on January 29 to the Senate Finance and House Ways and Means Committees stressing the importance of the in-office ancillary services exception (IOASE) in the Stark Law in preserving patient access to integrated care services as lawmakers implement alternative payment models (APMs). **Read below.**

### **US Oncology's Dr. Seiden Examines the Challenges, Benefits and Risks of Immuno-Oncology in the American Journal of Managed Care**

The *American Journal of Managed Care* published a journal article by McKesson Specialty Health and The US Oncology Network's Chief Medical Officer Michael Seiden, MD, PhD on February 4, which details the great opportunities and challenges in the development of immune-oncology (I-O) for all stakeholders in the war on cancer. **Read below.**

## Energy & Commerce Leaders Seek Comments on Site-Neutral Reform Provision



On February 5, House Energy & Commerce Committee Chairman Fred Upton and Health Subcommittee Chairman Joe Pitts issued a letter to healthcare stakeholders requesting feedback related to the enactment of Section 603 of the Bipartisan Budget Act of 2015 (BBA). Section 603 establishes a site-neutral payment policy for newly acquired, off-campus hospital outpatient departments (HOPD) as of November 2, 2015 and requires them to bill under the Medicare physician fee schedule (PFS) or ambulatory surgical center prospective payment system (ASC PPS). The Network and its coalition partners with the Alliance for Site-Neutral Payment Reform are supportive of this provision.

The Upton-Pitts letter outlines various recommendations and concerns expressed by healthcare stakeholders regarding the provision's impact on hospitals, beneficiaries and providers, including the option of "grandfathering" physician practices acquired before November 2, 2015. The letter also cites both MedPAC and GAO recommendations calling for site-neutral payment policies.

The US Oncology Network will submit comments urging Congress to stand by Section 603 of the BBA and expand site neutral payment reform to all off-campus outpatient services.

The Alliance for Site-Neutral Payment Reform also plans to submit formal comments urging expansion of Section 603 to provide the parity Congress and the Administration were hoping to achieve for patients and providers with the BBA. The Alliance believes grandfathering existing facilities before the November 2 timeline only adds to the number of HOPDs eligible to continue billing at the much higher outpatient rate for the same services, which will increase costs to both patients and the Medicare program.

The Committee is accepting comments until February 19.

To view the Upton-Pitts letter, [CLICK HERE](#).

## President Obama Releases FY2017 Budget Proposal



On February 9, President Obama proposed a \$4.1 trillion budget for the federal government for Fiscal Year 2017. Overall, the budget would shave an estimated \$470 billion over a decade from Medicare spending.

Health-related provisions include nearly \$1 billion to increase cancer research as part of Vice President Biden's [National Cancer Moonshot](#) program, which seeks to accelerate research efforts and break down barriers to progress by enhancing data access, and facilitating collaborations with researchers, doctors, philanthropies, patients, and patient advocates, and biotechnology and pharmaceutical companies. The Administration plans to immediately use \$200 million of existing funding at the National Institutes of Health (NIH) in 2016 and requests \$775 million more for NIH and the FDA next year. Additional funding would also go to the Department of Defense and the Department of Veterans Affairs.

Also included in the proposed HHS budget is a provision that would lower reimbursement for Part B drugs from 106 percent of the average sales price (ASP) to 103 percent, beginning in 2017. The budget also grants the HHS Secretary "authority to pay a portion or the entire amount above [ASP] in the form of a flat fee rather than a percentage, with the modification to be made in a budget neutral manner relative to average [ASP] plus 3 percent."

Further, the budget proposes excluding radiation therapy services, advancing imaging, and anatomic pathology services from the in-office ancillary exception (IOASE) in the Stark law, for an estimated savings of \$6 billion.

Both proposals have been routinely included in President Obama's prior budgets and would require congressional action to become law.

To access the full FY2017 budget proposal, [CLICK HERE](#).

To access the budget summary tables, [CLICK HERE](#).

## The US Oncology Network Submits Comments on Stark Law Improvements

The US Oncology Network provided formal comments on January 29 to the Senate Finance and House Ways & Means Committees stressing the importance of the in-office ancillary services exception (IOASE) in the Stark Law in preserving patient access to integrated care services as lawmakers implement

alternative payment models (APMs). Specifically, USO explained that preserving the IOASE in the Stark law is of utmost importance to community oncology practices in combating the disparity in cost for cancer care based on the site of service.

The IOASE is a critical avenue for integrated cancer care in the community setting. The comments warn that without access to integrated care, a vast majority of the nation's cancer patients who are treated in outpatient settings will be denied comprehensive care services in the community setting and will be forced into the more expensive hospital setting. Additionally, the comments note the IOASE saves the Centers for Medicare & Medicaid Services (CMS) and the healthcare system valuable funding by offering care in the most cost-effective setting.

For the full letter, [CLICK HERE](#).

## US Oncology's Dr. Seiden Examines the Challenges, Benefits and Risks of Immuno-Oncology in the American Journal of Managed Care

The *American Journal of Managed Care* published a journal article by McKesson Specialty Health and The US Oncology Network's Chief Medical Officer Michael Seiden, MD, PhD on February 4, which details the great opportunities and challenges in the development of immune-oncology (I-O) for all stakeholders in the war on cancer. His article discusses the transition of immuno-oncology agents from the research field to the practice arena and how it may provide significant clinical benefit to patients with difficult-to-treat malignancies.

As a leading expert in the area of immune-oncology, Dr. Seiden offers both patient and physician perspectives as well as societal and cost implications for utilizing I-O more broadly to a larger population of cancer patients.

To read Dr. Seiden's full article, [CLICK HERE](#).