



Thursday, June 15, 2017

The Network Joins 268 Groups Calling on Secretary Price to Protect Medicare Part B

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CMS Releases Estimated Financial Effects of the American Health Care Act

The Centers for Medicare & Medicaid Services Office of the Actuary issued a report on July 13 estimating the financial and coverage effects of select provisions of the House-passed American Health Care Act (H.R. 1628) – projections that differ significantly from those of the Congressional Budget Office. [Read below.](#)

HHS Secretary Price Testifies Before Congress on FY18 HHS Budget

On June 8, Health and Human Services Secretary Tom Price testified before the Senate Finance and House Ways and Means Committees about the Administration's proposed HHS budget for Fiscal Year 2018, which includes massive cuts to various government programs including Medicaid. [Read below.](#)

Senate HELP Committee Holds Hearing on Drug Pricing Reform

On June 13, the Senate Health Education, Labor, and Pensions (HELP) Committee held a hearing on prescription drug prices, the first of three planned for this year. The discussion covered a wide range of issues focused around reducing drug prices in the healthcare delivery system. [Read below.](#)

American Medical Association Names Community Oncologist as President-Elect

At the American Medical Association's annual meeting on June 13, Barbara L. McAneny, M.D., a community oncologist from Albuquerque, N.M., was named as the new president-elect. Dr. McAneny will assume the office of AMA president in June 2018 for a year-long term. [Read below.](#)

American Medical Association Study: Fewer Than Half of Physicians Owned their Own Practices in 2016

A new study from the American Medical Association (AMA) found that in 2016, only 47 percent of physicians had an ownership stake in the medical practice where they were employed. [Read below.](#)

New NCI Director Selected, NIH Director Stays in Place

President Donald Trump announced he will appoint Norman Sharpless as the National Cancer Institute's new director and keep Francis Collins as the head of the National Institutes of Health. [Read below.](#)

The Network Joins 268 Groups Calling on Secretary Price to Protect Medicare Part B

The US Oncology Network was among 269 organizations who sent a letter to Health and Human Services Secretary Tom Price, MD on June 8. The letter calls for the official withdrawal of the Medicare Part B Payment Model, which could enact policy changes for physician administered drugs and biological products. The letter urges Secretary Price to protect the Part B program and the benefits it offers patients regarding individualized care.

The groups emphasize the current Medicare Part B program gives physicians needed flexibility in treatment and warns any policy changes that restrict such flexibility could harm the quality of patient care. Last year, the Obama Administration's mandatory Part B Drug Payment Model demonstration drew large opposition from physicians and patients alike because of the threats it poses on patient access to care and physician ability to offer individualized care. While the demonstration was never finalized, the letter calls for the official withdrawal of the plan to ensure the continued success of the Part B program.

The letter also expresses concern for Part B recommendations made recently by the Medicare Payment Advisory Commission (MedPAC), and their potential for over-bureaucratization of Part B. On top of inserting a middleman between physicians and their patients through a new "Drug Value Program," the recent recommendations could result in fewer available options for care, and thus higher costs for patients, particularly those in rural areas. The groups further warn that MedPAC's recommendations would further erode physician payments, driving marketplace consolidation and reducing patient choice.

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

CMS Releases Estimated Financial Effects of the American Health Care Act

The Centers for Medicare & Medicaid Services (CMS) Office of the Actuary (OACT) issued a report on July 13 estimating the financial and coverage effects of select provisions of the House-passed American Health Care Act (H.R. 1628) – projections that differ significantly from those of the Congressional Budget Office (CBO).

The CMS' actuary estimates that the House-passed AHCA would:

- Leave 13 million more individuals uninsured by 2026 – 10 million fewer than what the CBO estimated last month;
- Reduce federal spending by more than \$328 billion over 10 years'
- Lower average *gross* premiums for the individual insurance market by roughly 13 percent in 2026 compared to current law; and
- Increase average enrollee cost-sharing amounts by roughly 61 percent higher in 2026 compared to current law.

To download the CMS OACT report, [CLICK HERE](#).

HHS Secretary Price Testifies Before Congress on HHS Budget



Health and Human Services (HHS) Secretary Tom Price, MD testified before the Senate Finance and House Ways and Means Committees on June 8, in regard to the Administration’s proposed HHS budget for Fiscal Year 2018. The budget reforms are estimated to save \$610 billion in taxpayer money over the next decade, but not without a price. That price includes significant funding cuts to programs such as the Centers for Disease Control and Prevention (CDC), the Food and Drug Administration (FDA), the National Institute of Health (NIH) and Medicaid.

Secretary Price answered questions on a variety of issues, including the Affordable Health Care Act, repeal and replace of the Affordable Care Act, drug pricing, and opioid abuse.

To view the Senate Finance Committee hearing, [CLICK HERE](#).

For Secretary Price’s Senate testimony, [CLICK HERE](#).

To view the House Ways and Means Committee hearing, [CLICK HERE](#).

For Secretary Price’s House testimony, [CLICK HERE](#).

Senate HELP Committee Holds Hearing on Drug Pricing Reform

On June 13, the Senate Health Education, Labor, and Pensions (HELP) Committee held a hearing on prescription drug prices, the first of three planned for this year, entitled, “The Cost of Prescription Drugs: How the Drug Delivery System Affects What Patients Pay.” The discussion covered a wide range of issues focused around reducing drug prices in healthcare delivery system. Among the topics discussed:

- How value-based pricing can encourage drug purchasers to incentivize payments for drugs that work well;
- How insurance plan design can expose patients to higher levels of drug cost; and
- How generic competition affects prices for consumers.

[Dr. Paul Howard](#) of the Manhattan Institute also discussed the 340B drug discount program, which he said distorts pricing in the Medicare market. Other witnesses talked about ways to make the supply chain more transparent and reign in pharmacy benefit managers (PBMs), which many blame for artificially raising drug prices by failing to pass rebates on to consumers.

Meanwhile, several Democratic Senators on the committee took the opportunity to use this week's hearing to criticize Senate Republican's attempt to repeal the Affordable Care Act. As of this week, the text of the Senate's ACA replacement plan has yet to be released.

In addition to Dr. Howard, Tuesday's bipartisan panel of drug pricing experts featured [Dan Mendelson](#), President of Avalere Health, [Allan Cuckhall](#), Senior Director of Health Policy from the Pew Charitable Trusts, and [Gerard Anderson](#), a professor of Medicine at the Johns Hopkins University School of Medicine.

To view the full hearing, [CLICK HERE](#).

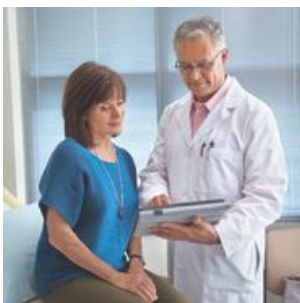
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At the American Medical Association's (AMA) annual meeting on June 13, Barbara L. McAneny, M.D., a community oncologist from Albuquerque, N.M., was named as the new president-elect. Dr. McAneny will assume the office of AMA president in June 2018 for a year-long term.

Dr. McAneny has served on the board for the American Society of Clinical Oncology (ASCO) and is the co-founder and CEO of a multi-disciplinary oncology practice. She also built and manages the New Mexico Cancer Center, which provides comprehensive outpatient medical and radiation oncology care and imaging at several underserved rural areas across New Mexico.

To read the AMA statement, [CLICK HERE](#).

American Medical Association Study: Fewer Than Half of Physicians Owned their Own Practices in 2016



A new study from the American Medical Association (AMA) found that in 2016, only 47 percent of physicians had an ownership stake in the medical practice where they were currently employed. That's a sharp decrease from 2012, where 53.2 percent of physicians reported an ownership stake.

The report attributes this decline in physician practice ownership to the recent trend among hospital systems to consolidate individual practices into their own networks. Particularly in the oncology sector, hospitals have moved rapidly towards the vertical integration of their cancer treatment departments. By buying up individual oncology practices, providers can bill as hospital outpatient departments (HOPD), which command a higher payment rate from the Medicare system.

The report also points to other factors that could be driving this shift, such as increasing costs associated with keeping up with evolving technology and new payment reform policies that require broader patient populations.

However, the AMA's findings note that the proportion of physicians directly employed by hospitals or working in hospital-owned practices remained stable between 2014 and 2016, hovering around 32 percent of all physicians.

The study was based on data from the AMA's Physician Practice Benchmark Surveys which were taken in 2012, 2014, and 2016 and featured responses from a sample of 95,262 physicians around the country who work at least part-time.

To read the full AMA study, [CLICK HERE](#).

New NCI Director Selected, NIH Director Stays in Place

President Donald Trump has chosen Norman Sharpless as the new director of the National Cancer Institute (NCI). Sharpless is the head of the University of North Carolina Lineberger Comprehensive Cancer Center and has notable clinical experience, as well as research experience in the cancer field. Acting director Doug Lowy will continue his work at the NCI as a deputy director and researcher.

President Trump also named Francis Collins as the official head of the National Institutes of Health. Prior to his announcement, Collins had been seen as a temporary holdover from the Obama Administration, having served as NHI director since 2009. The news comes alongside the Health and Human Services proposed budget for Fiscal Year 2018, where the NIH faces cuts of more than \$7 billion despite a recent \$2 billion funding increase just last month.

To read the White House announcement on Sharpless, [CLICK HERE](#).

To read the White House announcement on Collins, [CLICK HERE](#).