Tuesday, June 30, 2015

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On June 25, Congressmen Mike Pompeo (R-KS) and Don Beyer (D-VA) introduced the bipartisan Medicare Payment Access To Treatment Act of 2015 (H.R. 2895).

Ongoing payment disparity between oncology care provided in community-based cancer clinics and hospital outpatient departments (HOPD) allows for significantly higher reimbursements for identical cancer care services delivered in the hospital setting, despite the fact that the same, high-quality care can be delivered in a physician's office. This unfair payment approach puts community care at a significant disadvantage, driving up costs and putting preferred patient care at risk.

This legislation would equalize Medicare payments between the HOPD and the physician office setting for cancer care services including chemotherapy administration.

The bill would help ensure patient access to quality cancer care by:

- Creating a level playing field in Medicare payments for outpatient cancer care services;
- Maintaining patient access to high-quality, cost-effective care in the community cancer clinics; and
- Stemming the tide of hospital acquisitions of community cancer care clinics

The U.S. Oncology Network commemorated the legislation for trying to level the playing field by creating a more adequate reimbursement structure for cancer care delivered in the community setting.

Several recent studies support the need for the policy, including a 2011 Millman study which found it costs Medicare $6,500 more per patient when care is delivered in the HOPD setting under current Medicare payment policy. The Morgan Group also confirmed that the administration of chemotherapy in physician-owned community oncology clinics has dropped from 87 percent in 2005 to 67 percent in 2011.

Bipartisan lawmakers, Medicare experts and senior advocates alike broadly support neutralizing payments for outpatient cancer care services. The Medicare Payment Advisory Commission (MedPAC) has cited the large disparities in reimbursement as causing consolidation, closures, and hospitals purchasing more physician offices, which drives up Medicare expenditures. AARP has also advocated for equalizing Medicare payments for physician services between hospital outpatient and office settings.

For Congressman Pompeo's press release about the bill, CLICK HERE.

For U.S. Oncology Network's press release applauding the bill, CLICK HERE.

To download the Medicare Payment Access To Treatment Act of 2015 one-pager, CLICK HERE.

GOP Doctors Caucus Seeks to Preserve Medicare Self-Referral Exception

In a recent letter, 14 members of the GOP Doctors Caucus, including co-chairs Phil Roe (R-Tenn.) and John Fleming (R-La.), asked House leadership to continue allowing physicians to refer Medicare patients for in-office services such as advanced imaging and physician therapy.

At issue is the in-office ancillary services exception (IOASE) to the physician self-referral law (Stark law). The letter warned that a proposed repeal of the IOASE in President Obama's budget proposal would raise costs for the overall healthcare system and discourage many physicians from continuing to operate free-standing practices in their communities.

The Stark law prohibits Medicare self-referrals, which occur when a provider refers Medicare patients to entitles with which the provider of his or her immediate family members have a financial relationship. The IOASE allows physicians to provide certain services in their offices that normally would be prohibited under the Stark law, including radiation therapy, therapy services, advanced imaging, and anatomic pathology services.

The letter referenced a 2014 study from the Journal of the American Medical Association that found Medicare payments for advanced imaging services are 36 percent to 53 percent higher in a hospital outpatient department, as opposed to in a physician's office.

It also noted that the disparity in Medicare payments for services provided in a hospital as opposed to a physician's office encouraged physicians to close independent practices and work for hospitals.

A 2014 study from Merritt Hawkins found that 90 percent of new physician job openings were at hospitals, while just 10 percent were at independent practices, a trend the letter said was "an unfortunate outcome for patient care and the profession of medicine."

Another recent JAMA study examining 4.5 million patients found that expenditures per patient were 10.3% higher for physician groups owned by hospitals than independent practices and expenditures were 19.8% higher for physician groups owned by multi-hospital systems.

The letter said keeping the IOASE was critical for implementing value-based payments, as independent physician practices can provide low-cost and high-quality services. By contrast, the administration's proposal to repeal the IOASE would block the care coordination and integration necessary to implement the new payment systems.

For the full GOP Doctors Caucus' letter, CLICK HERE.

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The case centered on a single phrase in the ACA, which authorizes premium tax credits for middle-income people in states with exchanges "established by the state." The plaintiffs in the case argued that federal tax credits used to subsidize insurance premiums should be illegal in the 37 states that did not establish their own health insurance exchanges.

Ultimately, the court decided that the ACA, as written, does allow residents of states using the federal insurance exchange to receive premium subsidies for their coverage.

For the decision, including both majority and dissenting opinions, CLICK HERE.