



Wednesday, April 30, 2014

In this issue:

### **MARK YOUR CALENDAR! Virtual Hill Days May 7 & 8**

On Wednesday, May 7 and Thursday, May 8, The US Oncology Network will be taking part in a Virtual Capitol Hill Day in coordination with the Community Oncology Alliance (COA). [Read below](#)

### **Jonathan Blum Announces CMS Departure**

CMS Principal Deputy Administrator Jon Blum announced April 22 plans to leave the agency on May 16. [Read below](#)

### **Burwell Hearing Set**

U.S. Health and Human Services Secretary nominee Sylvia Mathews Burwell is slated to go before the Senate Health, Education, Labor and Pensions (HELP) Committee on May 8. [Read below](#)

### **Healthcare Coalition Urges CMS to Set Date for Implementation of ICD-10 Codes**

The Coalition for ICD-10 sent a letter to CMS Administrator Marilyn Tavenner on April 11 urging the agency to ensure no further delays to the transition process to ICD-10 codes as well as a smooth transition to ICD-10 on October 1, 2015. [Read below](#)

### **New Online Tool Available to Search Physician Payment Data**

On April 23, the Centers for Medicare and Medicaid Services (CMS) launched a new interactive search tool designed to help consumers look up information about the medical services and procedures delivered by physicians and other healthcare professionals under the Medicare program. [Read below](#)

## MARK YOUR CALENDAR! Virtual Hill Days May 7 & 8



On Wednesday, May 7 and Thursday, May 8, The US Oncology Network will be taking part in a Virtual Capitol Hill Day in coordination with the Community Oncology Alliance (COA). Physicians and other cancer care professionals will be asked to contact their Members of Congress to urge their support for sequester relief on Medicare Part B drugs. The US Oncology Network will be asking lawmakers to put pressure on the Centers for Medicare and Medicaid Services (CMS) to change their policy on Medicare Part B drugs and exempt them from the sequester cuts.

Information about the Virtual Hill Day, can be found on the COA site [here](#).

Stay tuned for more details!

## Jonathan Blum Announces CMS Departure

CMS Principal Deputy Administrator Jon Blum announced April 22 plans to leave the agency on May 16. Between his work at the agency and his tenure at the Senate Finance Committee, he has been involved in creating or implementing nearly every major Medicare policy in the last decade. Blum served as the deputy administrator and director of the Center for Medicare before August 2013 when he was promoted to principal deputy administrator of the agency.

Sean Cavanaugh, who currently heads CMS' Center for Medicare and Medicaid Innovation (CMMI), has been tapped to take Blum's place. Before joining CMS, Cavanaugh was director of health care finance at the United Hospital Fund in New York City. He has also served in senior positions at Lutheran Healthcare in Brooklyn, NY, the New York City Mayor's Office of Health Insurance Access, and the Maryland Health Services Cost Review Commission. He started his career on Capitol Hill working for a member of the Ways and Means Health Subcommittee.

## Burwell Hearing Set



U.S. Health and Human Services Secretary nominee Sylvia Mathews Burwell is slated to go before the Senate Health, Education, Labor and Pensions (HELP) Committee on May 8. The HELP Committee, however, will not vote on Burwell's nomination.

Burwell will also have a confirmation hearing at the Senate Finance Committee, which will vote to

determine whether her nomination will go to the Senate floor. The date for that hearing has not been set.

President Obama nominated Sylvia Mathews Burwell to be the next HHS Secretary following the resignation of Secretary Kathleen Sebelius. Burwell currently serves as the director of the US Office of Management and Budget, a job she has held since April 2013.

Burwell will face a series of challenges in her new role at HHS including improving the Healthcare.gov website before the next enrollment period in November and continued GOP attacks about Obamacare such as plan cancellations and increased premiums. Unfavorable views of the healthcare reform law will be central to Republican attacks in the midterm election cycle this year.

Burwell will also be responsible for overseeing further implementation of Obamacare's Medicaid expansion. To date, only twenty-four states have opted to move forward with Medicaid expansion under the law. Though a key part of the Obamacare law and expanded healthcare coverage for Americans, the Supreme Court ruled that states cannot be forced to expand their Medicaid programs.

Beginning in 2015, Burwell will be in charge of implementing the mandate requiring businesses with more than 50 employees to provide healthcare coverage, or face steep fines – a policy the Obama Administration has already delayed once.

She is reportedly well regarded by both Democrats and Republicans on Capitol Hill, therefore, swift confirmation is expected.

## Healthcare Coalition Urges CMS to Set Date for Implementation of ICD-10 Codes

The [Coalition for ICD-10](#), a healthcare industry advocacy group, including hospitals, health plans, hospital and physician office coding experts, vendors, and the health information technology (HIT) community united in support of the U.S. adoption of the ICD-10 coding standard, sent a [letter](#) to CMS Administrator Marilyn Tavenner on April 11 urging the agency to ensure no further delays to the transition process to ICD-10 codes as well as a smooth transition to ICD-10 on October 1, 2015.

The coalition writes, “The Protecting Access to Medicare Act prohibits ICD-10 adoption prior to October 2015 but does not establish a firm implementation date. This third delay of ICD-10 has created great uncertainty relative to the future of ICD-10, which is further compounded by the lack of a firm implementation date. This makes planning and investment decisions for ICD-10 preparation nearly impossible, leading some organizations to consider suspending ICD-10 preparation activities. Without an established implementation date, ICD-10 preparations will be delayed until the last minute, creating a hurried transition when the date of implementation actually arrives.”

The group asserts that a one year delay of the transition to ICD-10 codes will cost the healthcare industry as much as \$6.6 billion, which is roughly 30 percent of the \$22 billion CMS estimated had been invested or budgeted for ICD-10 implementation.

Reports indicate Congress chose to delay the ICD-10 mandate in response to concerns raised by physician groups who were pushing lawmakers to advance a full repeal of the SGR formula, which Congress was unsuccessful in achieving this year.

The American Medical Association (AMA) had previously urged CMS to reconsider the ICD-10 mandate, [stating](#) that the transition is unlikely to improve the care physicians provide their patients and takes valuable resources away from implementing delivery reforms and health information technology. A [cost study](#) released by the AMA in February found that the mandated implementation of the ICD-10 code set would be dramatically more expensive for most physician practices than previously estimated. The Medical Group Management Association (MGMA) released a [survey](#) in February, which found that less than 10 percent of its members had made substantial progress in preparing for the mandate.

## New Online Tool Available to Search Physician Payment Data



On April 23, the Centers for Medicare and Medicaid Services (CMS) launched a new [interactive search tool](#) designed to help consumers look up information about the medical services and procedures delivered by physicians and other healthcare professionals under the Medicare program. The data, originally released by the agency on April 9, includes information on Medicare services delivered by physicians, including the number of services provided and the average payment for each service. Consumers can search for information by provider name, address, or National Provider Identifier (NPI).

While healthcare stakeholder groups largely welcome increased transparency, there are broad concerns that the data is difficult to fully understand and analyze as presented by CMS. For example, reports often confuse what a doctor charges Medicare with what the physician is actually paid. Further, the data does not in any instance show the physician's actual compensation or income after factoring the costs of providing care such as drugs, equipment, nurses and other support personnel, rent, utilities and insurance.

According to CMS, the tool shows the full payment for services furnished in an office setting. If the services were provided in a facility, however, the data only includes the payment to the provider and not the payment to the facility (hospital). Therefore, for physicians employed by hospitals, it will appear that both their billed charges and

payments are less than community physicians (i.e., those physicians who are independent as opposed to hospital employees). This is misleading because the hospital bills Medicare separately for infused drugs and the equipment-related charges for radiation therapy and imaging services, however in the office setting those expenses are lumped in with the physician payment.

Within the Medicare data medical oncologists and radiation oncologists appear as “high billers” because the data includes charges and payments for expensive drugs, equipment and highly trained clinicians and other professionals needed to effectively treat cancer patients. In reality, the amounts paid by Medicare for drugs and equipment in the community setting in many cases don’t even cover the physicians’ cost of buying and delivering these drugs and services to patients.

US Oncology | 10101 Woodloch Forest | The Woodlands, TX 77380