



Thursday, April 21, 2016

REMINDER! Contact Your Member of Congress to Protect Cancer Patients!

Please contact your lawmakers in Congress to urge them to push back on CMS' proposed mandatory Part B Drug Payment Model. **Read below.**

GAO: Equalize Pay Across Settings to Reduce Medicare Costs

The Government Accountability Office released a report on April 13 that recommended Congress equalize payment rates across all settings, between physician offices and hospital outpatient departments. **Read below.**

MedPAC Holds Public Meeting on Medicare Part B Drug and Oncology Payment Policy Issues

On April 7, the Medicare Payment Advisory Commission held a public meeting to address potential changes to payment policy for Part B drugs, and approaches to offer efficient pay for Part B oncology drugs and services while improving care quality. **Read below.**

House Energy and Commerce Subcommittee on Health Holds Meeting to Discuss MACRA

On April 19, Members of House Energy and Commerce Subcommittee on Health hosted another hearing on implementation of the Medicare Access and CHIP Reauthorization Act of 2015. **Read below.**

CMS Announces New Primary Care Initiative

On April 11, the Centers for Medicare & Medicaid Services released a new Primary Care initiative that is said to strengthen primary care through a regionally-based multi-payer payment reform and care delivery transformation. **Read below.**

Contact Your Member of Congress: Protect Cancer Patients!



Last month, the Centers for Medicare & Medicaid Services (CMS) released a proposed rule outlining a five year, two-phase mandatory demonstration project that would modify drug reimbursement based on geographic areas. In Phase 1, Medicare seeks to adjust the ASP + 6% reimbursement to ASP + 2.5% with a flat fee of \$16.80. In the second phase, Medicare would implement value-based purchasing tools, engineered by CMS, in conjunction with the Phase 1 variation of the ASP adjustment.

The proposed rule will have a serious impact on community-based cancer clinics and could further exacerbate the shift of cancer patients moving into the more expensive hospital based setting. This proposal will result in significant differences in the cost and quality of cancer care that Medicare patients receive based solely on their zip code.

Congress must be aware of these potential consequences and take this opportunity to stand up for cancer patients. Contact your lawmakers in Congress and encourage them to relay these concerns to CMS, their respective leadership and the committees of jurisdiction.

[Click Here to Urge Your Member of Congress to Protect Cancer Patients](#)

To view a one-page talking points memo, [CLICK HERE](#).

To view the Community Oncology Alliance toolkit, [CLICK HERE](#).

GAO: Equalize Pay Across Settings to Reduce Medicare Costs

The Government Accountability Office (GAO) released a report on April 13 that recommended Congress equalize payment rates across all settings, between physician offices and hospital outpatient departments. Services that are typically performed in physician offices are now taking place in outpatient departments, where the reimbursement rate is much higher. According to the report, if Congress establishes equal pay across all settings for different health services, billions of dollars in Medicare could be saved. This recommendation was originally proposed by the GAO in a December 2015 report.

To view the April 2016 GAO Annual Report, [CLICK HERE](#).

MedPAC Holds Public Meeting on Medicare Part B Drug and Oncology Payment Policy Issues



On April 7, the Medicare Payment Advisory Commission (MedPAC) held a public meeting to discuss Medicare Part B drug and oncology payment policy issues. The key points addressed at the meeting were potential changes to payment policy for Part B drugs, and approaches that offer efficient pay for Part B oncology drugs and services while improving care quality.

MedPAC introduced four policy options to address drug spending under Part B:

1. **Restructure ASP Add-On:** MedPAC proposed reducing the current 6% add on to 103.5% plus an additional charge of \$5 per drug per day. According to MedPAC, this approach will also reduce Part B drug payments to outpatient hospitals, ophthalmologists, rheumatologists, and oncologists, and will increase payments to primary care physicians.
2. **Limit ASP Growth:** MedPAC discussed the option of placing a limit on the ASP+6 payment rate through a manufacturer rebate or a limit on growth of ASP+6 rates paid to providers, however there are risks posed to manufacturers with a rebate and providers with a limit on growth.
3. **Consolidate Billing Codes:** Biosimilars and their reference products could be placed in billing codes based on the FDA's approval of their biosimilarity, for other drugs and biologics with similar health effects, or the Secretary could develop a process to obtain clinical input to identify products with similar health effects.
4. **Restructure the Competitive Acquisition Program:** Through this program, enrolled physicians would obtain CAP drugs through a Medicare selected vendor. Medicare would pay the physician for the administration of the drug and the vendor for the drug while the vendor collected drug-cost sharing from a beneficiary. Beneficiaries would also share in savings through lower cost sharing if prices are lower under this model.

To view the the MedPAC presentation, [CLICK HERE](#).

House Energy and Commerce Subcommittee on Health Holds Hearing to Discuss MACRA

On April 19, Members of House Energy and Commerce Subcommittee on Health hosted another hearing on implementation of the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA). Witnesses addressed how MACRA will directly affect their organizations, and offered recommendations on how to transition to new payment models that reward and support value.

Hearing witnesses included:

- [Jeffrey W. Bailet, MSPH, FACS](#), Aurora Healthcare Medical Group
- [Barbara L. McAneny, MD](#), American Medical Association
- [Robert McLean, MD, FACP](#), American College of Physicians
- [Robert Wergin, MD, FAAFP](#), American Academy of Family Physicians

Many of these organizations testified to having invested heavily in APMs, quality measures, and practice improvements prior to the passage of MACRA in efforts to improve clinical services. Witnesses spoke about these investments and what tools providers have in their arsenals to position themselves for success under Medicare's future payment system. Witnesses also spoke about their work with the CMS on the repeal of the SGR, the temporary payment stabilization under the fee schedule, the creation of the Merit-Based Incentive Payment System (MIPS), and their work towards value-based payments that would qualify as an eligible APM.

To read witnesses' full statements and meeting documents, [CLICK HERE](#).

CMS Announces New Primary Care Initiative



On April 11, the Centers for Medicare & Medicaid Services (CMS) released a new primary care initiative that is said to strengthen primary care through a regionally-based multi-payer payment reform and care delivery transformation. The Comprehensive Primary Care Plus (CPC+) will introduce two primary care practice tracks with incrementally advanced care delivery requirements and payment options to best serve primary care practices in the United States. The care delivery redesign ensures that practices in each track have the means to deliver better quality health care to

contribute to a healthier patient population. The multi-payer payment redesign will provide practices with the necessary finances to ensure efficiency in healthcare, and avoid unnecessary healthcare utilization. CPC+ will create an expansive educational system, as well as actionable patient-level cost and utilization data feedback.

CPC+ aims to unite CMS, commercial insurance plants, and state Medicaid programs to provide financial support to ensure proper care delivery. It will also enter into a Memorandum of Understanding with selected payer partners to align payment, data sharing and quality metrics throughout the initiative.

To learn more about the initiative, [CLICK HERE](#).

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