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Bipartisan Group of 124 Lawmakers Express Concern That Medicare Cuts to Life-Sustaining Cancer Drugs Threatening Patient Care

- Cancer Care Community Praises Lawmakers for Urging CMS to Examine Impact of Sequester Cuts on Medicare Patients -

WASHINGTON, DC – The American Society of Clinical Oncology (ASCO), Community Oncology Alliance (COA), ION Solutions and The US Oncology Network today commended a bipartisan group of 124 lawmakers in the U.S House of Representatives who sent a letter to the Centers for Medicare and Medicaid Services (CMS) expressing concern that Medicare cuts to critical cancer medications, which took effect on April 1 as part of the budget sequester, are forcing oncologists to turn away cancer patients.

The letter, led by Representatives Pete Sessions (R-TX), Gene Green (D-TX), Mike Burgess (R-TX), Allyson Schwartz (D-PA), Ed Whitfield (R-KY) and Ron Kind (D-WI), asks CMS to use its authority to apply the two percent sequester cut to only the service payment and not to the cost of chemotherapy drugs and biologic treatments. Specifically, the letter states:

“Our concerns are two fold. First, it is unclear to us if the Centers for Medicare and Medicaid Services has the statutory authority to reduce Medicare Part B drug reimbursement since that amount is specified in the [Medicare Modernization Act of 2003 (MMA)]. Second, concerning sequestration, the Office of Management and Budget (OMB) has issued guidance instructing federal agencies and departments to, ‘[u]se any available flexibility to reduce operational risks that minimize impacts on the agency’s core mission in service of the American people’....We would like to see CMS use any flexibility that exists to implement the cuts in such a way that the core mission of the agency – to provide care to beneficiaries – is retained and protected.”

The lawmakers cite recent news reports that Medicare beneficiaries seeking cancer care have already experienced access issues to community-based cancer care since the cuts went into effect on April 1. The sequester cut has sent community cancer clinics into emergency mode, with many clinics now being forced to send certain Medicare patients elsewhere for treatment.

Flawed Medicare payment for cancer drugs has already markedly impacted cancer care delivery and patient access to community-based care. Until recently, more than 80 percent of the nation’s cancer patients were treated in physicians’ offices in the community setting. Since 2008, more than 1,200 community cancer care centers have closed, consolidated, or reported financial problems. When community cancer clinics close their doors, access to cancer care is compromised for all cancer patients, but especially vulnerable seniors. Studies by Millimanⁱ and Avalereⁱⁱ document that consolidation of care results in higher costs of cancer treatment for Medicare, seniors, and all taxpayers.

The 124 lawmakers ask CMS to answer a series of questions by April 29 regarding the agency's flexibility in applying the sequester cut to Medicare Part B drugs as well as plans for monitoring the effect of this cut on Medicare beneficiaries. In closing, they ask, "We are asking, therefore, that any available flexibility be used to direct the cuts away from patients. Our hope is that there is a solution that protects patients' access to their healthcare professionals."

To access the full letter and the list of signatories, [click here](#).

ⁱ *Site of Service Cost Differences for Medicare Patients Receiving Chemotherapy*. Milliman, October, 2011.

ⁱⁱ *Total Cost of Cancer Care by Site of Service: Physician Office vs Outpatient Hospital*. Avalere Health, March, 2012.