



The US Oncology Network

Oppose Medicare Cuts to Cancer-Fighting Drugs

Significant threats to the provision of cancer-fighting drugs persist as the Budget Control Act Select Committee attempts to develop a \$1.2 trillion deficit savings plan and as lawmakers develop the offsets needed to fix the 29.5% Medicare physician reimbursement cuts scheduled to take effect January 1, 2012.

House Representatives Leonard Lance (R-NJ) and Bill Pascrell (D-NJ) have authored a bipartisan letter addressed to the members of the Joint Select Committee on Deficit Reduction (Select Committee) in an effort to ensure that cancer patients across the nation continue to have access to community cancer care. Specifically, the letter calls on the members of the Select Committee to reject potential cuts to Medicare Part B reimbursement for drugs and biologics that fight cancer and other serious diseases.

A \$3.2 billion cut to Medicare Part B reimbursement for cancer care drugs was recently discussed as an offset for deficit savings in the debt ceiling debate and it is clear that these cuts still remain a part of the deficit savings discussions. **Such a massive cut would put serious financial strain on community oncology practices, which provide treatment to more than 80 percent of the nation's cancer patients.** It is these cancer patients that will ultimately bear the brunt of these drastic cuts.

With numerous community practices already struggling to survive and hundreds having closed their doors over the last three years, additional cuts will have a devastating impact: more community oncology practices will close, limiting access to care and forcing many cancer patients to travel outside of their communities, which often results in duplicative and unnecessary services, additional co-pays, and physical and emotional suffering.

Members of Congress please preserve and protect the world's best cancer care delivery system by:

- 1) signing the Reps Lance / Pascrell letter opposing dangerous cuts to Medicare cancer drug reimbursement*
- 2) co-sponsoring HR 905 / S 733*



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In recognition of the dire financial reality already facing community oncology practices almost 50 bipartisan Congressional leaders have co-sponsored HR 905 (Whitfield/Green) and S 733 (Stabenow/Roberts) to ensure more appropriate payment for drugs and biologics under Medicare Part B. The US Oncology Network urges Congress to improve the viability of community cancer care through this forward-looking legislation rather than imposing significant payment cuts that would be devastating to both community cancer clinics and their patients.

How Medicare cuts would harm community cancer care:

- Medicare beneficiaries fighting cancer comprise over 50% of US cancer patients and community oncology practices already face significant Medicare cuts imposed on chemotherapy drugs and services.
- Due to the financial and administrative burdens that currently exist, community oncology practices already are reducing services and closing their doors across the U.S. at alarming rates. Over the past 3 years around 200 cancer clinics have closed and over 300 more are struggling financially.
- Additional Medicare cuts will result in a delay of services if providers are forced to eliminate or cut back on services.

The Current Reality of the Average Sales Price:

- **ASP + 6%** is actually **ASP - 2%**

ASP
+ 6% (MMA)
- 2% (prompt pay discount)
- 1% (two quarter lag)
- 5% (uncollectable co-insurance)

ASP - 2%

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