

Roche

When Worlds Collide:

Community Oncology Meets the Reality of the Pharmaceutical Marketplace.

Attendees were brought up to date on federal policy discussions and private marketplace cost containment initiatives by David H. Schwed, RPh, FACA in his presentation "When Worlds Collide: Community Oncology Meets the Reality of the Pharmaceutical Marketplace," sponsored by Roche, Inc. Mr. Schwed shared insights gained through his community practice and affiliation as a consultant to the Office of Pharmacy Affairs, P & T committee participation for a large Medicaid Managed Care company, committee work with the American Pharmaceutical Association and the Academy of Managed Care Pharmacy.

GOVERNMENT INITIATIVES DISCUSSED INCLUDED:

- March 2002 comments by Inspector General Renquist, HHS, Office of the Inspector General (OIG), attacking the use of Average Wholesale Price (AWP) as a benchmark for Medicare drug reimbursement.
- The September 2002 meeting of the MedPAC, during which members assailed AWP pricing and a staff member made suggestions concerning redefining AWP or establishing an alternative benchmark through legislative change.
- October testimony by CMS director Tom Scully to the House Ways and Means Subcommittee on Health.
- The recent Hospital Outpatient Prospective Payment System (HOPPS) adjustments to drug reimbursement and "pass through" payment regulations, effectively decreasing payment to hospitals for outpatient oncology drugs.

Mr. Schwed suggested that reevaluation of practice costs and implementation of a more equitable reimbursement schedule could largely offset the anticipated downward adjustment to the pricing formula for pharmaceuticals.

CONCLUSION:

It is likely that drug pricing, marketing, and administration reimbursement will continue to be in the spotlight post-election and into the next year. OA members should be attentive to these issues and inform their organizational leadership and federal representatives of their views on these important issues.



Taste of Tampa

OA members were treated to an excursion to Tampa where they participated in a reception and scavenger hunt through the International Plaza Mall. Following the outing, members enjoyed a gourmet meal at Bobby's Bistro in Clearwater.

