

H.R. 1622 THE QUALITY CANCER CARE PRESERVATION ACT

- The Quality Cancer Care Preservation Act, H.R. 1622 would provide a comprehensive solution to the issue of Medicare payment for chemotherapy drugs and the related services.
- Support fair, balanced and simultaneous reform of the system by which Medicare reimburses for chemotherapy drugs and administration services. H.R. 1622 would simultaneously reduce reimbursement for drugs and adjust payments for practice expense.

**TO SUPPORT H.R. 1622
CALL YOUR REPRESENTATIVE:**

**Switchboard: 202-224-3121 or go
to <http://capwiz.com/asco/home/>**

Then, type in your zip code. When writing to your congressional representatives, please note in your letter that:

- You are an oncologist in their district.
- Please co-sponsor H.R. 1622, The Quality Cancer Care Preservation Act, the only responsible solution for reforming Medicare reimbursement for chemotherapy drugs - commonly referred to as "AWP."
- This legislation would more closely align payments for chemotherapy drugs closer to costs and would fairly reimburse for the expense of delivering quality cancer care.
- Unbalanced reform will harm the cancer care delivery system in America, by disrupting access to prompt care provided in community outpatient settings.

**ASK
JOE
JUNE '03**



Q: WHY IS THE GOVERNMENT SO AGGRESSIVELY TARGETING THE AWP OF DRUGS?

A: Over the last few years the pharmaceutical pricing strategies, in particular the average wholesale pricing (AWP) model has been under serious scrutiny by Congress & The Centers for Medicare & Medicaid Services (CMS). Legislators are trying to control the rising costs of healthcare and have been pointing fingers to what they consider "huge profits" generated by the major pharmaceutical companies, in particular during this recession and severe market downturn we have been struggling through as a nation the last few years. They wish to shift the blame of our country's health care problems away from failing systems and programs to those making a living in the business. This is not the first time or the first industry the government has interfered with regarding pricing and profits. Finger pointing at big business is a

common practice for many legislators wishing to stir up support from lay constituents.

Drugs are the primary tools for managing myriad acute and chronic illnesses. Although not discussed often enough in the press, this is improving care and greatly reducing the costs associated with more expensive, complicated and often less effective procedures and treatments. This trend is only going to continue as new and improved drugs enter the market.

CMS has taken an aggressive position because over the last few years the payment for medications made under the Part B benefit are continuing to mount, growing at rates beyond their expectations and budget. The two areas of concern have been the aerosolized respiratory medications (i.e., albuterol) paid for under the benefit for patients with chronic pulmonary diseases and of course, the chemotherapies and

associated drug therapies paid for as part of the outpatient treatment of Medicare recipients with cancer.

It has been joked that the government suggests that AWP should stand for "Ain't Worth Paying," but what is so often overlooked is the total costs of care often paid for under the drug payment. Since in both respiratory and cancer treatments little to no compensation is made for the care and service associated with the delivery of these therapies, the modest margins often subsidize the high levels of care and service provided. Until there is fair and appropriate compensation for professional services and care, no changes in reimbursement can be tolerated.

Joseph Lewarski, OA's Chief Operating Officer and Co-founder, answers the frequently asked questions posed by OA's membership. Contact him with your questions at jlewerski@rcmed.com.