



# WHEN THE GOING GETS TOUGH

by Tom Magoulis, Vice President, FloridaInfusion Services

Well, we are deep into the month of March and the reality of the first wave of new Medicare laws has hit home, hard. Severe cuts to reimbursement across the board on important, lifesaving drugs have made managing your practice more difficult and challenging than ever. In light of reduced revenue, how do you cut costs and save money without sacrificing patient care and important administrative functions? How is it possible that new legislation has made your reimbursement for certain drugs below your true acquisition cost? What is being done to help and by whom?

## **Competitive Pricing**

The most frequently asked question of FloridaInfusion these days is “what can you do to lower our prices?” Our response has been immediate. Our strategy all along has been to offer competitive prices to our customers by constantly negotiating with manufacturers for lower prices and related programs, working with Oncology Associates to develop more aggressive contracts, taking advantage of generic opportunities as they present themselves and by constantly staying abreast of market volatility. Very special prices for OA members, volume discounts, bundle programs, short dated opportunities, weekly specials and price matching are all part of our commitment to help our customers maintain a bottom line that allows them to continue to serve patients while at the same time run a profitable business.

Recently, we have also seen price lowering by several major manufacturers. As you know by now both Lilly and Pfizer have lowered significantly distributor acquisition cost for Gemzar and Camptosar respectively. Of course, we immediately lowered our price to you. While the reasons for these dramatic rollbacks at this particular point in time can be speculated upon, at the end of the day, these lower prices can only help with the reimbursement challenges you face. We look forward to similar action by others.

## **Working for You**

We at FloridaInfusion also want to remind you that we have not entered into any deals with insurance companies/HMO's that seek to limit your ability to choose what you purchase, from whom and for what price. We are against “brown bagging.” Unlike several of our competitors, who have and continue to actively seek to build these relationships, FloridaInfusion has rejected this model. It is not in our best interest nor, do we believe, in yours.

Please continue to fight against policies and forces that seek to control your practice. Letters, telephone calls, faxes and e-mails to your ASCO leadership, pharmaceutical representatives and political policy makers can only help. For our part, we promise to do everything we can to help.

As always, thank you for your business and support of Oncology Associates. Please contact me directly with suggestions, issues, questions or concerns. I appreciate hearing from you. You may reach me at 800-624-0152.