

U.S. Cancer Care Providers Warn of Dire Implications of Government-Proposed \$300 Million Funding Cut to Vital Radiation Therapy; Cuts to Put Jobs, Access, Patients at Risk

– Cancer Community States Reimbursement Recommendations by Centers for Medicare and Medicaid Services (CMS) in 2013 Proposed Rule Based on Faulty Data –

July 16, 2012 (WASHINGTON) – Deep and devastating cuts to cancer care services under a recently proposed rule by the Centers for Medicare and Medicaid Services (CMS) will impact the availability of lifesaving cancer therapies nationwide, according to a leading group of providers.

The Radiation Therapy Alliance (RTA), a non-profit organization representing 207 community-based cancer care facilities nationwide, says the proposed rule will mean cancer center closures, lack of access to services, and potentially worsened outcomes and survival rates for very common – and treatable – forms of cancer.

“While providers from all sectors are accustomed to Medicare funding cuts and have learned to do more with less, CMS’ most recently announced cut for cancer care will be very real and far-reaching,” said Chris Rose, M.D., a radiation oncologist in Manhattan Beach, CA and member of RTA. “By using questionable data on which to base the proposed rule, CMS has developed a proposal that could have damaging consequences by reducing access to cancer care for those who need life- saving treatments.”

Under the 2013 Physician Fee Schedule Proposed Rule, CMS aimed to identify potentially misvalued codes and revise payments accordingly. However, the proposed rule slashes funding for two codes critical to the provision of radiation therapy by up to 40 percent, and proposes to pay for Intensity Modulated Radiation Treatment (IMRT) at rates of 40 percent less than hospital-based centers. Because CMS’ data blends hospital-based and freestanding centers in the rule, it belies the actual, much larger effect from the rule on freestanding centers.

RTA further questions the rule because in calculating reimbursement, CMS admittedly drew upon “patient fact sheets,” rather than randomized, auditable survey data available to them.

If finalized, the proposed rule would mean a cut of 15 percent to radiation oncology and a 19 percent cut to freestanding radiation therapy centers, representing a \$300 million reduction in funding to treat cancer. Physician members within RTA have warned that the funding reductions will cause facility closures, staff layoffs, inability to update equipment, and difficulty treating Medicare patients.

“The real issue here is patient care, and how this massive funding reduction will impact cancer care delivery to those fighting for their health and in many cases, their lives,” said Dr. Rose. “Over the past three decades, the survival rate for many cancer patients has increased steadily, thanks to advances in and availability of groundbreaking treatments like radiation therapy. There’s a better way – and better policy – for CMS to consider in order to improve the outlook and economic sustainability for the future of cancer care.”

Freestanding radiation therapy centers have been in discussions with CMS for two years in the hopes of establishing bundled payments for radiation therapy, which would provide payment stability for CMS and providers. Further, Congress and the Administration have expressed a clear interest in bundled payments for cancer, as evidenced by the mandated HHS study on bundled payments for cancer that was included in the most recent “doc fix” legislation.

RTA and its membership are providing formal comments to the proposed rule, which will be finalized September 4.

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