

United States Senate

WASHINGTON, DC 20510

September 18, 2012

The Honorable Kathleen Sebelius
Secretary of Health and Human Services
Department of Health and Human Services
200 Independence Ave, SW
Washington, DC 20201

Dear Secretary Sebelius:

We are writing to express our concern regarding the Medicare reimbursement cuts proposed for radiation oncology services in the Centers for Medicare and Medicaid Services' (CMS) CY 2013 Physician Fee Schedule (PFS) Proposed Rule. We are concerned these proposed cuts could force cancer centers to close their doors, and reduce access to cancer treatments in our communities, particularly those in rural areas. We ask that if CMS undertakes a reevaluation of the practice expense inputs for radiation oncology services, that it examine all the components of the expenses and their interactions in order to ensure appropriate reimbursement that more accurately reflects the full costs associated with the delivery of these services.

Radiation oncology is an important tool in the fight against cancer. Thankfully, in the last 25 years, the survival rate for many cancer patients has increased steadily. There has been particular progress for diseases such as breast and prostate cancer thanks, in part, to advances in radiation oncology such as Intensity Modulated Radiation Therapy (IMRT) and Stereotactic Body Radiation Therapy (SBRT).

If finalized in its current form, the cuts proposed in the Physician Fee Schedule Rule would result in an overall 15 percent reduction in reimbursement for radiation oncology and a 19 percent reduction in payments for radiation therapy center services, effective January 1, 2013. The most significant portion of the proposed cut is due to a change in the treatment times for IMRT and SBRT procedure codes. We have heard from radiation oncologists in our states that such a cut could potentially limit cancer patients' access to radiation therapy as some cancer clinics could be forced to close, cut their staff, or put off purchasing equipment. The impact would be especially challenging in rural communities, where patients could be forced to travel further distances for care as a result of the reimbursement cuts in these settings.

Given the potential impact of the payment reduction, we are concerned that CMS only chose to reevaluate one component of the practice expense relative value units (PERVUs) used to establish payment rates for IMRT and SBRT. If CMS believes that the information used to establish the PERVUs for these codes is inaccurate, it is important to reevaluate the information for all components of the PERVUs and how they may interact with one another, not just one component. In this case, it is possible that changes in the time component of the PERVUs are the result of changes in other components such as equipment costs. We therefore urge CMS to

reevaluate the PERVUs for IMRT and SBRT codes by looking at all possible changes to inputs that could be affected in order to ensure a sound level of reimbursement for these services.

In addition, we were pleased to see that the proposed rule notes that “the Secretary may make appropriate coding revisions... which may include consolidation of individual services into bundled codes.” We therefore encourage CMS to continue working with the radiation oncology community on alternative payment models such as bundled payments.

It is critical that we ensure physician payments are appropriate and accurate, and that they do not impede access to care for patients. That is why we ask that CMS reconsider the narrow reevaluation of only one component of radiation oncology practice expense inputs and the resulting payment reductions, and instead consider a holistic approach to the reevaluation of the practice expense inputs for these services.

We thank you for your attention to this important matter.

Sincerely,

Debbie Stabenow

[Signature]

John J. Kerry

Ben Cardin

Bill Nelson

Bob Casey, Jr.

Kirsten E. Gillibrand

Tom Coats

Chris Coons

Sayby Chaulkin

Ron Wyden

Mike Crapo

Kay R. Hazan

Tom Harper

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Pat Roberts

Chuck Grassley

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Barack Obama

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Patty Murray

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