



## **SGR roller coaster causing unpredictability in cancer care**

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Every day 10,000 Americans turn 65 and become eligible for Medicare. By 2030, one out of every five people in the United States will be in this age group. This poses unprecedented challenges for Medicare, not least of which is providing cancer care to this aging population. According to the National Institutes of Health, more than half of all newly diagnosed cancer patients are Medicare beneficiaries with over 70 percent of all cancer deaths occurring in this age group. Sound Medicare policies that ensure the availability of safe, effective, and comprehensive cancer treatment are more important than ever.

While innovations in cancer treatment continue to advance, public policy has not kept pace. In fact, a recent proposal from the Centers for Medicare & Medicaid Services (CMS) would severely undermine the provision of a critical type of cancer care: radiation therapy provided in the community-based setting.

Radiation therapy is a highly effective treatment that works by attacking the DNA in cancer cells so that they cannot repair themselves or reproduce. While all physicians work to encourage Congress to prevent the drastic scheduled cuts in the SGR every year, Medicare's payment rate for radiation therapy delivered in freestanding centers has been cut by almost 20 percent over the last decade. CMS is now proposing yet another round of cuts to the patient care provided in these community-based centers. In total, cuts to free-standing radiation oncology services will be almost 8

percent and some commonly billed services will be slashed over 25 percent. Looking over multiple years, these cuts create an environment of instability that makes it difficult for freestanding radiation therapy centers to operate.

In order to provide high-quality radiation oncology care, physicians must have adequate and stable resources available to cover treatment costs, maintain proper staffing levels, and acquire and maintain the necessary equipment. Payment stability is essential for continued patient access to cancer treatment in the community setting.

For example an analysis of the proposed Medicare reimbursement rates for 2014 finds that reimbursement will fall more than 16 percent next year for a typical course of radiation treatment for a breast cancer patient. This drastic impact is being driven by cuts of more than 25 percent to certain critical treatment delivery services. Similarly large cuts for lung and other cancers are being proposed as well.

To ensure access to vital services from local, community-based physicians for Medicare's cancer patient population, policymakers must pursue payment stability and predictability. This can and should be achieved through comprehensive payment reform. Constantly changing the Medicare reimbursement formula—as evidenced by the current CMS proposal for 2014—only creates more instability and hardship, for patients and providers alike.

Payment reform would establish bundled payments—a fixed payment for an entire course of treatment as opposed to the current a la carte scheme with its perverse incentives—for radiation therapy services provided by freestanding radiation therapy facilities. Payment reform also should create a registry for collecting and reporting relevant patient and treatment data to facilitate improvements in care over time and should require providers to follow established clinical guidelines to further ensure high-quality outcomes.

Medicare was created almost 50 years ago to provide older Americans with quality healthcare. It is incumbent on policymakers to correct unwise payment changes that undermine patients' access to care when they need

it most.

The most recent attempt by CMS to again cut reimbursement to radiation therapy through the agency's annual rulemaking process will lead over time to less patient access to critical care and more consolidation of free-standing centers. And it won't reduce the deficit a dime. Instead, Congress should pursue meaningful payment reform that can promote quality care for patients, modernize the Medicare program, and reduce federal healthcare spending.

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