



A PATIENT-CENTERED FORUM OF NATIONAL ADVOCACY ORGANIZATIONS ADDRESSING PUBLIC POLICY ISSUES IN CANCER

June 8, 2000

The Honorable Bill Archer
Chairman, Ways & Means Committee
1236 Longworth House Office Bldg.
Washington, D.C. 20515

Dear Mr. Chairman:

As representatives of people with cancer, we appreciate your previous legislative leadership to strike the appropriate balance between maintaining quality cancer care and controlling the cost of delivering such care. In an environment where severe restrictions in reimbursement could have a disastrous effect on quality care, your legislative formula in the Balanced Budget Act of 1997 fairly determined the level of payment for anticancer drugs.

Now, as you know, the Department of Health and Human Services (HHS) has taken unilateral action to amend that formula. By seeking to redefine the meaning of "average wholesale price" (AWP) as used in the 1997 legislation, HHS would circumvent the intent of Congress in its establishment of reimbursement levels at 95% of AWP. It does not seem to us that Congress intended to give HHS the flexibility to change reimbursement levels through administrative action by redefining AWP when Congress incorporated the traditional meaning of AWP into a very specific calculation of appropriate reimbursement.

If HHS is permitted to define AWP to be equivalent to acquisition cost, which is apparently the plan, application of your statutory formula of 95% of AWP will mean that physicians will be forced to provide drugs at a loss. No one should be expected to accept such conditions, and the losers will be cancer patients who may not be able to access quality cancer care in the setting that is most convenient and appropriate for them.

Relying on your previous leadership, we urge you to make your views clear on this important matter to ensure that administrative action by HHS cannot undo carefully considered legislative resolution of difficult issues of great importance to people with cancer.

Sincerely,

The Cancer Leadership Council

Alliance for Lung Cancer Advocacy, Support, and Education
American Cancer Society
American Society of Clinical Oncology
American Society for Therapeutic Radiology & Oncology, Inc.
Cancer Care, Inc.
Cancer Research Foundation of America
The Children's Cause, Inc.
Coalition of National Cancer Cooperative Groups
Colorectal Cancer Network
Cure For Lymphoma Foundation
Kidney Cancer Association
The Leukemia & Lymphoma Society

Multiple Myeloma Research Foundation
National Coalition for Cancer Survivorship
National Patient Advocate Foundation
National Prostate Cancer Coalition
North American Brain Tumor Coalition
Oncology Nursing Society
Ovarian Cancer National Alliance
Pancreatic Cancer Action Network
The Susan G. Komen Breast Cancer Foundation
US-TOO International, Inc.
Y-ME National Breast Cancer Organization

cc:

The Honorable Michael Bilirakis
The Honorable Bill Thomas
The Honorable Thomas Bliley, Jr.