



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

Hand-Delivered

October 6, 2003

Thomas A. Scully
Administrator
Centers for Medicare & Medicaid Services
Department of Health and Human Services
7500 Security Blvd.
Room C5-14-03
Baltimore, Maryland 21244-1850

RE: Hospital Outpatient Prospective Payment System
Proposed Rule, August 12, 2003 (CMS-1471-P)
Update for Calendar Year 2004

Dear Mr. Scully:

Our organizations represent cancer patients, providers and research organizations, and, as such, we write to express our serious concern about reimbursement reductions for radiation oncology treatment in the hospital outpatient setting. The proposed rule on the hospital outpatient prospective payment system (HOPPS), 68 Fed. Reg. 47966, threatens access to quality cancer care by imposing unreasonable and unjustified reductions in payment for life-saving therapeutic radiological services in hospital outpatient departments.

Radiation therapy in its various forms is a cornerstone of modern cancer care. More than half of all patients diagnosed with cancer receive radiation treatment at some point in their therapy. It is therefore essential that reimbursement be adequate to warrant the often substantial investment in the sophisticated equipment and infrastructure necessary for radiation therapy. Significant unjustified reductions in payment for radiation oncology will not only place current services at risk, but also discourage investment in new radiation treatment devices and methods as they become available. Like any other providers, radiation oncology departments cannot be expected to operate with losses or even with accumulating unexplained reductions in payment.

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We are disturbed about both the specific reductions set forth in the proposed rule and the general impact on radiation oncology departments resulting from the cumulative specific reductions. For example, external beam radiation therapy, which is perhaps the most frequently utilized radiation treatment, suffers substantial reductions in payment under the proposed rule. Hospitals confronting reduced payments will be discouraged from maintaining or expanding their services in this critical area, and eventually issues of access to this life-saving treatment will emerge in many locations. A new approach to using external beam radiotherapy, intensity modulated radiotherapy (IMRT) is especially disadvantaged by the proposed reductions. They will create a disincentive for hospitals to invest the necessary capital to purchase new equipment or upgrade linear accelerators and treatment planning software to provide this service.

Another area of major concern is brachytherapy, which is one of the more important treatment options for certain kinds of cancer. Payment levels appear to be less than adequate to compensate providers for the cost of this extremely important therapy. Again, if providers are unable to recover their real costs involved in specific procedures, particularly those requiring significant out-of-pocket expenses, there will inevitably be irresistible pressures to abandon them.

Radiation oncology is life-saving for people suffering from major cancers like those of the breast, prostate and lung. If Medicare, as the overwhelming primary payer for patients with cancer, significantly under-reimburses for this therapy, the consequences may be dire indeed, not just for Medicare patients but for the nation's entire health care system.

We urge the Centers for Medicare & Medicaid Services (CMS) to reconsider the proposed reductions in payment for these essential services.

Sincerely,

Cancer Leadership Council

American Society of Clinical Oncology
American Society for Therapeutic Radiology
& Oncology, Inc.
Cancer Care, Inc.
Cancer Research and Prevention Foundation
The Children's Cause, Inc.
Coalition of National Cancer Cooperative
Groups
Colorectal Cancer Network
International Myeloma Foundation

Kidney Cancer Association
The Leukemia & Lymphoma Society
Lymphoma Research Foundation
Multiple Myeloma Research Foundation
National Coalition for Cancer Survivorship
National Patient Advocate Foundation
North American Brain Tumor Coalition
Ovarian Cancer National Alliance
Pancreatic Cancer Action Network
Y-ME National Breast Cancer Organization