

## Part B Insider (Multispecialty) Coding Alert

### HEARINGS: Congress May Rescue Cancer Payments From Next Year's Shortfall

#### CMS called on the carpet for IVIG, oncology access problems

Oncologists, the **House Ways & Means Health Subcommittee** tried to make the **Centers for Medicare & Medicaid Services** (CMS) feel your pain in a July 13 hearing.

In the hearing, members of Congress tore into CMS Director **Herb Kuhn** and other officials over access to cancer drugs. "Our cancer care delivery system is facing a crisis," said Rep. **Jim Ramstad** (R-MN). He cited rising costs and a study by **PricewaterhouseCoopers** that found cancer payments dropping by \$13 billion between 2004 and 2013. He accused Kuhn of reducing the oncology demonstration project from last year's levels and also asked why CMS wouldn't pay separately for treatment planning in cancer.

Kuhn replied that CMS used survey data on costs provided by oncologists to cover cancer administration. The **AMA Relative Value Update Committee** (RUC) didn't recommend paying separately for treatment planning, because it was covered in the evaluation and management codes, he added.

Kuhn also pointed out that drug administration fees had grown 117 percent in recent years, but Rep. **Nancy Johnson** (R-CT) said this was an increase in "a little, tiny fee." She asked why cancer care providers are seeing an overall decrease in their payments.

The add-on fee that doctors receive for administering drugs will expire at the end of the year and so will a demonstration project for oncology doctors. The **American Society of Clinical Oncology** called on Congress to extend the demonstration project, impose a payment floor on Part B drugs and exclude prompt-pay discounts from the calculation of manufacturer prices for drugs.

Subcommittee members also took CMS officials to task for access problems with intravenous immune globulin (IVIG). "If a severe immunodeficient patient doesn't get this drug, he will die," Rep. **Jim McCrery** (R-LA) scolded Kuhn.

CMS is waiting for more reports on whether patients have enough access to IVIG. CMS said besides raising fees for IVIG, the agency and the **Food & Drug Administration** was working with manufacturers on supply and regulatory issues. CMS also split the IVIG code into codes for liquid and powder IVIG at stakeholders' request, Kuhn pointed out.

CMS could pay for IVIG based on 95 percent of average wholesale price, the same as it now pays for blood and blood-derived products, McCrery suggested. However, Kuhn noted that Congress designated IVIG as not a blood-derived product in the Medicare Modernization Act.

**Editor's Note:** To read all the testimony from the hearing, go to <http://tinyurl.com/fppox>.