

ANCO FAX News

Association of Northern California Oncologists

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IN THIS ISSUE

The *ANCO FAX News* focuses on ANCO's core activities—advocacy, clinical and professional education, membership benefits, and *Association* news. While membership mailings, FAX broadcasts, and ListServ postings continue, the *ANCO FAX News* summarizes this information in a regular forum of important news to members. Contact the ANCO office for additional information regarding any item published in the *ANCO FAX News* or to contribute items.

The *ANCO FAX News* is routinely sent to physician member practices and corporate member contacts. The next regular *ANCO FAX News* will be published Friday, March 12th.

Comments on and contributions to the *ANCO FAX News* are always welcome and encouraged at ANCO, P.O. Box 151109, San Rafael, CA 94915-1109; Voice: (415) 472-3960; FAX: (415) 472-3961; jlgonzalez@aol.com.

**There is information in the
ANCO FAX News
for every member of your practice
or organization.
Pass it along!**

- ☐ Physician Members
- ☐ Nurse & Office Managers
- ☐ Office Staff
- ☐ Colleagues & Representatives

ADVOCACY

[Editor's Note: ANCO meets regularly with national, regional, and statewide organizations to discuss issues of importance to oncology practices and people with cancer.

We continually seek input from members on agenda items for these meetings. Send your issues to the ANCO office.]

ACCC, ASCO, and National Legislative & Regulatory Issues

[Editor's Note: ANCO is a member of the Association of Community Cancer Centers (ACCC) and a state/regional affiliate of the American Society of Clinical Oncology (ASCO). We regularly participate with these organizations on matters of

national importance to oncology practices.]

ASCO has adopted the following ***Position on Medicare Payments for Drugs and Drug Administration Services*** and legislative strategy:

Medicare payment policy must be designed to assure that cancer patients' access to quality care and services is preserved. ASCO continues to support restructuring the Medicare payment methods for drugs and drug

The *Association of Northern California Oncologists* (ANCO) is a professional association of medical oncologists and hematologists dedicated to promoting high professional standards of oncology by providing a forum for the exchange of ideas, data, and knowledge. The material contained in the *ANCO FAX News* is intended as general information for ANCO members. Because diagnostic, treatment, contracting, and billing decisions should be made on a case-by-case basis, any such information contained in the *ANCO FAX News* may not apply in any given situation. Members are encouraged to contact their own consultants or advisors to obtain specific advice on matters relating to billing, contracting, and coding. The information contained in the *ANCO FAX News* should not be used as a substitute for such advice.

administration services to more closely align the payment amounts with the costs involved. ASCO therefore supports the general aims of the restructuring enacted in the *Medicare Prescription Drug, Improvement, and Modernization Act of 2003* (MMA). There are serious problems with specific provisions of the MMA, however, that must be addressed.

For 2004, the MMA has resulted in potential problems of patient access because the payment amounts for some drugs are lower than the prices at which physicians can purchase them. Although the *Centers for Medicare & Medicaid Services* (CMS) has the authority to increase the payment amounts in such circumstances, CMS takes the position that it cannot legally do so until April 1st. The MMA should not have been drafted with this flawed exceptions process, and ASCO will urge *Congress* to enact legislation immediately that would permit earlier revisions in the payment amounts. ASCO will also ask CMS to increase the payment amounts as soon as it legally can to levels that will permit all physicians to purchase drugs without incurring losses.

For 2005 and later years, the MMA will drastically reduce the payment amounts for drugs and drug administration services compared to the 2004 amounts. In addition, it appears likely that the payment methodology for drugs (106% of the manufacturer's average sales price) will result in payment amounts for many drugs that are lower than the prices at which physicians can purchase them, yet there is no mechanism in the MMA for adjustments in such circumstances. The MMA's payment amounts for 2005 and later years are therefore unacceptable and have the potential to create substantial impairment of patient access to cancer treatment.

The radical payment changes in 2005 are particularly unjustifiable because studies required by the MMA to assess the payment changes will not have been

completed by that time. The study by the *Medicare Payment Advisory Commission* on the changes as they affect oncologists is due January 1st, 2006, and as they affect other specialties, a year later. The study by the *Secretary of Health and Human Services* on the ASP methodology is also due January 1st, 2006. The *Inspector General's* separate study on the ASP methodology is due October 1st, 2005. In addition, the MMA's alternative method for drug procurement through contractors does not become available until 2006, which therefore allows oncologists no alternative to avoid inadequate drug payment amounts in 2005.

Therefore, it is ASCO's position that *Congress* should enact legislation in 2004 that would:

- Create an exceptions or similar process under which CMS would be required to ensure that the payment amounts for drugs in 2005 and later years are sufficient to cover the costs that physicians incur in purchasing the drugs; and,
- Revise the MMA's transitional adjustment payment for drug administration services, which is 32% in 2004, to an amount that will maintain the net revenue available to physicians from drugs and drug administration services in 2005 and 2006 at the same level as in 2004.

ASCO will be working with *Congress*, CMS, and affected physician and patient groups to achieve this outcome.

In an effort to move this legislative initiative forward, ASCO recently:

- Co-hosted a media briefing with the *National Coalition for Cancer Survivorship* (NCCS) in Washington, D.C. to promote ASCO's position on MMA reform.
- Convened a telephone briefing for out-of-town and other reporters who could not make it to the in-person briefing.

- Convened national telephone briefings with members to describe and answer questions on ASCO's position on MMA reform.
- Conducted another round of regular meetings on *Capitol Hill* to share their new position and gain a sense from *Congress* on the timing and politics related to this issue.

ANCO will keep its members informed of developments as they happen with regard to these very important issues. In the meantime, please share how your practice plans on accommodating to the new Medicare reimbursement environment via e-mail to jlgonzalez@aol.com.

ASCO is also leading the oncology community on a number of **additional policy issues**:

- ***Medicare Reimbursement for Off-Label Uses of Cancer Drugs***, by working to ensure coverage of off-label usage for chemotherapy drugs as an important part of cancer treatment. ASCO has asked CMS to refrain from restricting coverage of cancer drugs used for off-label uses.
- ***Medicare Coverage of Oral Chemotherapy***, by working with CMS and *Congress* to determine what cancers demonstration projects should address and how to ensure that a larger number of people with cancer can benefit from these projects.
- ***Improving Palliative and End-of-Life Care*** (with NCCS and others), by working with *Congress* and other policymakers to improve access to palliative care and emphasizing professional education programs that include training on palliative care issues.
- ***Increasing Patient Access to Clinical Trials***, by increasing awareness of clinical trials and enhancing the number of physicians and patients who participate.
- ***National Initiative on Cancer Care Quality***, by releasing the first large-scale study to assess the feasibility of building and implementing a national system to

monitor cancer care quality at the ASCO *Annual Meeting*.

- ***Ensuring Non-Discrimination for People with a Genetic History of Cancer***, by supporting a Federal law to prohibit discrimination by health insurers and employers based on an individual's inherited susceptibility to cancer and other diseases.

CMA, MOASC, and State Legislative/Regulatory Issues

[Editor's Note: ANCO and the Medical Oncology Association of Southern California (MOASC) are members of the California Medical Association's (CMA) House of Delegates and Council on Legislation. ANCO and MOASC cooperate on several joint ventures and coordinate activities in the advocacy and membership benefit arenas. Each is represented at the Board meeting of the other.]

A federal judge denied a request by the state ***Department of Health Services (DHS)*** to reconsider its December 23rd ruling that the ***State's 5 percent cut to MediCal reimbursement rates was illegal***. Despite the preliminary injunction, the Schwarzenegger administration has proposed an additional 10 percent cut to MediCal reimbursement rates in this year's budget. CMA has said it is clear that the ruling could be expanded to apply to these proposed cuts, should they go into effect.

Robert S. Miller, M.D., ANCO Board Member and past President, testified before a ***State Senate Joint Committee on the impact of the Medicare Prescription Drug, Improvement, and Modernization Act (DIMA)*** on Wednesday, February 18th. In her opening statement, ***Senator Deborah Ortiz, Committee Chair***, listed her concerns with the new law, including the preservation of access to cancer care. She announced that she would be introducing a ***Resolution*** urging *Congress* to address these concerns.

In his testimony, Miller reviewed past and enacted reimbursement systems for drug and practice expenses for cancer care and concluded that while the intent of the new law was to enact balanced reimbursement reform, early indications are that it may not be balanced. The new law may remove approximately \$1B in

cancer care funding from Medicare in 2005 with 10% of that reduction occurring in California.

Miller emphasized the oncology community's concern about patient access to under-funded cancer care. Funding reductions could potentially result in staff reductions, physicians reducing the number of Medicare patients they see, cuts in ancillary services such as nutritional counseling and psychosocial services, reduced or eliminated participation in clinical trials, and closing satellite centers in rural and underserved urban areas.

Finally, Miller pointed out that many third party or private insurers use Medicare as a model, and that he is concerned that these insurers may adopt all or, even worse, only some of the new Medicare model.

Miller asked for the *Committee's* help in achieving the following objectives:

- California's oncologists must be ensured adequate reimbursement for the costs of chemotherapy and supportive care drugs and their administration by private payers;
- California's oncologists and their patients living with cancer must be ensured of the integrity of chemotherapy drugs as they pass through the distribution chain; and,
- California's oncologists and their patients must be ensured that changes in how drugs are supplied to oncologists do not lead to delays in starting appropriate treatment.

NHIC/Medicare & DHS/MediCal

[*Editor's Note:* ANCO meets with *National Heritage Insurance Company* (NHIC) that administers Medicare in California and the *Department of Health Services* (DHS) that administers MediCal in California.]

Visit www.medicarenhic.com/whats_new/whats_new.shtml to learn the latest information from NHIC/Medicare, including coding/billing, pricing, SNF, and HIPAA news.

The 2004 *Medicare Physician Fee Schedule* (including drug pricing) is now available at the NHIC/Medicare website

(www.medicarenhic.com/cal_prov/fee_sched.shtml).

Effective April 1st, all claims for non-home services must contain the physician address (and, most importantly, the zip code) of the place where the service was rendered, even if the services were rendered in a physician office. Previously, this information was obtained from the provider's address information on file. Every claim will now need to include this information on Line 32 of Form 1500 (or the electronic equivalent field).

NHIC/Medicare has appointed a new *Medical Director*, Bruce Quinn, M.D., Ph.D., M.B.A. Dr. Quinn received his medical education and doctorate in neurology at *Stanford University*. He completed his M.B.A. at the *Kellogg Graduate School of Management*. Most recently, Dr. Quinn has been a consultant for *Accenture's Strategy and Business Architecture Service, Health & Life Sciences Group*. He begins his new position on March 8, 2004.

The next *NHIC/Medicare Advisory Forum* (MAF) teleconference takes place on March 16th; the next *NHIC/Medicare Carrier Advisory Committee* (CAC) meeting takes place in Los Angeles on April 21st; the next ANCO•MOASC meeting with NHIC/Medicare will take place at a date and location to be determined.

EDUCATION

[*Editor's Note:* ANCO regularly organizes clinical and professional education meetings throughout the year and throughout Northern California.]

Review of the American Society of Hematology (ASH) 2003 Annual Meeting

On Tuesday, March 23rd, Charles Linker, M.D., Tom Martin, M.D., and Willis Navarro, M.D., *UC San Francisco*, will review the most clinically relevant studies presented at last month's meeting in San Diego. This meeting will take place at The Claremont Resort, Oakland. *UC San Francisco* is accrediting this program for continuing education units. *biogenIDEc*, *Cell Therapeutics*, *Genentech BioOncology*, *Genta*, *Novartis Oncology*, and *Wyeth Oncology* are

supporting this meeting. Announcements were mailed in mid February.

Expanding Medical Oncology Practice Beyond Chemotherapy: A New Business Model

On Tuesday through Thursday afternoons, April 20th-22nd, in Sacramento, San Francisco, and San José, Lawrence Piro, M.D., will present a series of meetings for physicians, nurses, and practice managers on how to diversify service and product lines in medical oncology practices. *biogenIDEC* is sponsoring these meetings. Announcements will be mailed in mid March.

Other ANCO Meetings

Additional ANCO meetings (*ASCO Highlights*, an *Annual Meeting*) are in the planning stages and will be announced as they are scheduled.

Additional Education Meetings

Other meetings of interest to ANCO member practices are:

February 28th
Ensuring Access to Quality Cancer Care
Oncology Nursing Society
San Francisco

March 6th
Third Annual Conference: Breast Cancer—What's Really Going On?
Allison Taylor Holbrooks Breast Cancer Research Fund
San Francisco

March 9th
The Secret of Caring for the Patient is Caring: A Tribute to the Community Contributions of Ernest Rosenbaum, M.D. with Jimmie C. Holland, M.D.
California Pacific Medical Center
San Francisco

March 17-20th
30th Annual National Meeting: Oncology at the Crossroads—Assuring Excellence and Access to Care

Association of Community Cancer Centers
Washington, D.C.

March 28th-31st
2004 Administrators in Oncology-Hematology Assembly (AOHA) Conference
Medical Group Management Association
San Diego

April 29th-May 2nd
29th Annual Congress—The Ride of Your Life!
Oncology Nursing Society
Anaheim

May 5-7th
2004 Spring Conference and Annual Meeting
California Hospice Foundation
San José

June 5-8th
40th Annual Meeting
American Society of Clinical Oncology
New Orleans, LA

Please contact the ANCO office for more information about these meetings.

ANCO thanks

**biogenIDEC, Cell Therapeutics,
Genentech BioOncology, Genta,
Novartis Oncology, & Wyeth Oncology**

for supporting clinical and professional education.

MEMBERSHIP BENEFITS

[Editor's Note: All ANCO members are eligible for benefits from the California Oncology Consortium (COC) and Hematology Oncology Leadership Network (HOLN).]

ANCO On-Line

ANCO's independent website has been redesigned and re-launched at www.anco-online.org. It features the following:

- A weblog with important news for oncology practices.
- Links to affiliated organizations.
- A general description of the *Association*.
- ANCO's publications, advocacy information, and educational meeting announcements and materials.

ANCO urges its members to bookmark www.anco-online.org and refer to it often. Your suggestions are welcome and encouraged.

California Oncology Consortium (COC)

The COC is a cooperative venture of ANCO and MOASC. The *Consortium* maintains a web site (www.californiaoncology.org); has a ListServ for the exchange of general/administrative and clinical information; and, has a group purchasing organization (GPO).

Web Sites. All ANCO members should visit www.californiaoncology.org (and www.anco-online.org) for the latest information impacting the practice of medical oncology.

ListSers. The COC operates two e-mail based communications systems called ListSers.

The COC-ADMIN ListServ is available to all ANCO and MOASC physician members, practice managers and nurses, and Corporate Member representatives. It is a source for the latest *Association* news, special bulletins, legislative reports, and other information impacting oncology practices. To post an item to the COC-ADMIN ListServ, send e-mail to COC-ADMIN@californiaoncology.org.

The COC-CLINICAL ListServ is open only to ANCO and MOASC physician members for the secure exchange of information and ideas between physicians. To post an item to the COC-CLINICAL ListServ, send e-mail to COC-CLINICAL@californiaoncology.org.

All members and their staffs are encouraged to subscribe, participate, and use these ListSers to communicate with colleagues about issues of importance to oncology practices by sending their e-mail addresses to the ANCO office at jlgonzalez@aol.com.

Group Purchasing Organization. The COC GPO has preferred vendor agreements and discounted pricing with *International Oncology Network* (ION) and *Oncology Supply* (OS), and with *National Oncology Alliance* (NOA) and *Oncology Therapeutics Network* (OTN) for oncology pharmaceuticals and a wide-range of value-added services.

The COC continues to offer a **Zoladex Discount Program** via *AstraZeneca*. Discounts of up to 40% are possible through this program. Contact your local *AstraZeneca* urology representative for additional information.

Hematology Oncology Leadership Network (HOLN)

HOLN is a network of state oncology and oncology manager societies from Northern and Southern California, Connecticut, Georgia, New Jersey, Ohio/West Virginia, Pennsylvania, South Carolina, and Virginia. As an ANCO member, you may enroll in HOLN and benefit from discounted contracting with several major pharmaceutical manufacturers for medical supplies and drugs. HOLN-contracted prices are honored at several distributors, including *Oncology Supply* and *Oncology Therapeutics Network*. **A complete current (as of February 2004) price list of HOLN contracted products** is available from the ANCO office or online at www.holn.org.

ASSOCIATION NEWS

Board of Directors

The ANCO *Board of Directors* meets regularly by teleconference and occasionally in person to discuss issues affecting the *Association*, clinical and professional education meeting proposals, and ways to serve the membership. *Board* meetings are open to the membership. The **next regularly scheduled ANCO Board of Directors meeting** will take place on March 23rd. Please call José Luis González, *ANCO Executive Director*, at (415) 472-3960 if you wish to participate in a future meeting.

Individual Member News

The ANCO Directory of Members & Membership Information 2003 was published and mailed to all members in early June 2003. An updated edition will be published in June 2004. Additional copies are available from the ANCO office.

The following update(s) to the *Directory* should be inserted in the appropriate location(s):

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Corporate & Institutional Member News

ANCO thanks the following **Corporate Members** for their generous support that enables ANCO to grow and expand its services for the oncology community in Northern California,

and to provide its members and their patients with substantial benefits in the areas of advocacy, education, and information dissemination:

AMGEN • APP/Abraxis Oncology
AstraZeneca • Aventis
Bayer Biologicals • Berlex Laboratories
biogenIDEC
Bristol-Myers Squibb Oncology
Cell Therapeutics • Chiron Corporation
Eli Lilly and Company
Genentech BioOncology • Genomic Health
Genta • Glaxo SmithKline • IMPATH
International Oncology Network
LashGroup/Documedics
Ligand Pharmaceuticals
MedImmune Oncology • MGI Pharma
Millennium • National Oncology Alliance
Novartis Oncology • Oncology Supply
Oncology Therapeutics Network
Oncotech • Ortho Biotech
Pfizer Oncology • Roche Oncology
Sanofi-Synthelabo
Schering Oncology/Biotech
SuperGen • US Oncology • Wyeth Oncology

We especially wish to thank and welcome *Genomic Health*, *Genta*, and *Schering Oncology/Biotech* as new Corporate Members in 2004. Members are encouraged to provide the names of organizations that are not currently Corporate Members to the ANCO office.

Bristol-Myers Squibb Oncology announces that *Erbix* has received FDA-approval for use in combination with irinotecan in the treatment of patients with EGFR-expressing, metastatic colorectal cancer who are refractory to irinotecan-based chemotherapy and for use as a single agent in the treatment of patients with EGFR-expressing, metastatic colorectal cancer who are intolerant to irinotecan-based chemotherapy.

Genentech BioOncology is organizing a meeting with Larry Norton, M.D., on *The Evolving Role of HER2 in the Contemporary Management of Breast Cancer: New Therapeutic Strategies and Advances* on Thursday, March 11th at 6:30PM at Viognier in San Mateo. RSVP to George Romanowsky via e-mail at roman@gene.com,

telephone at (408) 887-9293, or FAX at (408) 929-7699.

Genomic Health announces that **Oncotype DX Breast Cancer Assay** is now available for use in adjuvant treatment planning. The Genomic Health Reference Laboratory was certified by CLIA in January 2004.

Pfizer Oncology is organizing a meeting for physicians and nurses entitled *The Art of Active Listening* on Wednesday, March 24th at 6:30PM at *The Waterfront Restaurant* in San Francisco. RSVP to rfrancis@pharmedica.com or FAX at (860) 767-4940.

Sanofi-Synthelabo announces that **Eloxatin** in combination with infusional 5-FU/LV is now indicated as first-line treatment of advanced colorectal cancer.

We thank our current roster of **Institutional Members** for their support:

- *Stanford University Medical Oncology*
- *University of California, Davis, Cancer Center*
- *University of California, San Francisco*

The **6th Annual Northern California Tumor Board at Silverado** will be presented by the *Stanford University School of Medicine* from March 12-14th. Tumor boards on cancer genetics; breast, gastrointestinal, genitourinary, and thoracic cancers; hematological malignancies and lymphoma; and, supportive and palliative care will be presented by faculty from *Stanford, UC Davis, and UC San Francisco*, and the community. Registration and case submission materials can be obtained from ANCO or from Beverly Kelly at (650) 736-1454 (beverlyk@stanford.edu).

Pain and End-of-Life Care takes place in San Francisco on June 10-11th. Presented by the *University of California, San Francisco*, this course is designed for all physicians, nurses, and pharmacists who care for patients in pain or with life-threatening illness. As a result of a new California law, AB487, beginning in 2002 California physicians must take 12 hours of CME in pain and palliative care. This course is developed to meet these new CME

requirements. Visit cme.ucsf.edu/calendar/CourseDetail.asp?CourseNumber=DMM04462 for more information.

For additional information on meetings being organized by the *UCSF Comprehensive Cancer Center*, visit cc.ucsf.edu/news/events.html.

The *American Medical Association* (AMA) also offers a 12-hour **online CME course in pain management**. It is available at www.ama-cmeonline.com.

Publications & Surveys

Because you need to know how your patients feel about your systems, services and performance, the *Association of Northern California Oncologists* (ANCO) and *Medical Oncology Association of Southern California* (MOASC) are using our combined strength to offer you a reliable **patient satisfaction survey** at a steep discount. This is a repeat of our previous patient satisfaction surveys. We encourage all practices to participate. Watch for details in a separate FAX broadcast and ListServ posting in early March.

Membership Dues for 2004

Second notices of membership renewal were mailed in mid February 2004. Return your 2004 membership dues to ANCO at your earliest convenience. Be sure to take advantage of dues discounts and provide ANCO with the name(s) of an office and nurse manager contact. Those not renewing their membership by June 1st will be deleted from the *Directory of Members* and will no longer be eligible for participation in ANCO's discounted pharmaceutical pricing programs. Contact the ANCO office if you did not receive or have misplaced your membership dues renewal notice.

ANCO seeks new members. All members of a practice should join ANCO. Provide the ANCO office with the names and addresses of colleagues you would like invited to join ANCO.

A larger ANCO is a stronger ANCO!