

ANCO FAX News

Association of Northern California Oncologists
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INTRODUCTION

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 sent to member practices (via FAX) and corporate member contacts (via e-mail). The next regular *ANCO FAX News* will be published on July 15th.

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; ExecDir@anco-online.org.

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.]

ACCC's analysis (www.accc-cancer.org/PUBPOL/asp_rates.htm) of 3Q05CMS payment rates for cancer therapies reveals that the **average drug prices paid for the top 100 most commonly used cancer therapies declined by approximately 4% between 2Q05 and 3Q05.** This finding is consistent with CMS's analysis, which reported an average decline of 2% in payment amounts across all drugs as well as for

**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**

The *Association of Northern California Oncologists* (ANCO) is an 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, coding, 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 contracting, coding, and billing. The information contained in the *ANCO FAX News* should not be used as a substitute for such advice.

the top physician-administered drugs.

ANCO and ASCO continue to work towards ensuring that people with cancer have access to quality cancer care in the community. Here is the latest with regard to the *Medicare Prescription Drug, Improvement, and Modernization Act of 2003* (MMA):

- Under an interim final rule with opportunity for comment issued June 27th by CMS, physicians who administer drugs in their offices to Medicare beneficiaries will have the option of participating in a new **competitive acquisition program** (CAP) beginning January 1st, 2006. In summary, CMS's voluntary CAP program establishes a single national distribution area; creates one category of drugs consisting of 181 physician-injectable drugs that are commonly provided incident to the physician's service, including many oncology drugs, covered under Medicare Part B; and, outlines an enrollment process for physicians.

Under the interim final rule, physicians can decide to order the drugs they need to administer to their patients from CAP vendors. Physicians who do not wish to participate in CAP can continue to purchase drugs directly from drug suppliers, as they do now, and be paid directly by Medicare at the statutorily-set rate of ASP plus 6%. (But note that CAPed drugs are not safe harbored from ASP calculations.)

Physicians will be given an opportunity once a year to elect to participate in the program and to choose a vendor (from a minimum of two and a maximum of five available) to be the physician's primary source for the Part B drugs included in the CAP. Voluntary enrollment begins on October 1st and ends November 15th.

Physicians choosing to participate in CAP will order the drugs needed for specific beneficiaries from the vendor and administer them to the beneficiaries. CMS will not require vendors to offer every drug and dose for each HCPCS code. If a physician chooses to use a

product not offered by the vendor, the physician must prove medical necessity and file for an exception. Physicians must ensure that orders comply with all Medicare *Local Coverage Determinations*.

Physicians will bill Medicare only for the service of administering the drugs within fourteen days of the date of service. The claim must contain the unique prescription identification number. The vendors, rather than the physicians, will bill Medicare for the drugs and will be responsible for collecting any deductibles and coinsurance on the drugs from the beneficiary or a third party insurer such as Medigap after the drugs have been administered.

More information about CAP may be found on the CMS website at www.cms.hhs.gov/providers/drugs/combid.

- CMS released the **3Q05 ASPs** on June 16th. They may be downloaded from www.cms.hhs.gov/providers/drugs/asp.asp.

- **House Resolution (HRes) 261** commends CMS for creating the demonstration project, calls for policy makers to extend the demonstration project beyond 2005, and (at ASCO's suggestion) contains specific language stating that payments to physicians for participating in the demonstration project should continue to ensure that Medicare patients with cancer have access to chemotherapy treatment. **Please call or write your Congressional Representative to express your support for HRes261 and to ask them to sign on to this important Resolution.** You can find contact information for your Representative by visiting ASCO's Grassroots Action Center at capwiz.com/asco.

Visit www.asco.org/mma, www.anco-online.org/mma.html, or call/e-mail ASCO's billing and coding hotline at (703) 299-1054/practice@asco.org for up-to-date information on changes in coding for drug administration services, as well as billing and

payments for drugs. And, join ASCO's **Grassroots Advocacy Network** at www.asco.org/grassroots_survey.

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.]

Noteware Government Relations represents ANCO (and MOASC) in Sacramento. They report:

- The legislative year is in its last couple of months and deadlines to advance bills are looming. After July 8th, policy committees will no longer be permitted to hear and vote on bills (including AB651, the physician-assisted suicide bill, and SB583, the alternative cancer treatment bill). If these bills are not passed out of Committee by July 8th, they will not have another opportunity to move through the process until next year.

Contact the ANCO office for ANCO/MOASC's positions on additional legislation.

Effective immediately, **physician office laboratories (POLs) established on or after January 1st, 1996, must be either licensed by or registered with the California Department of Health Services**, subjecting them to fees and regulations beyond those currently imposed under the Federal *Clinical Laboratory Improvement Amendments* (CLIA) program. Laboratories that perform only "waived" tests (classified by FDA or CDC to be so simple that there is little risk of error) and labs that perform only "provider-performed microscopy" tests will be exempt from the State licensure requirements, but will have to register with the State. Download DHS's memorandum entitled *Clinical Laboratories Oversight Program* and FAQs at www.anco-online.org/advocacy.html or visit www.dhs.ca.gov/ps/lsl/lfsb/default.htm.

AB487 requires all physicians renewing their license through 2006 to complete twelve (12)

hours of pain medicine and end-of-life care continuing medical education (CME). CMA's *Pain, Palliation, and Politics: Pain Management and End-of-Life Care in California's Regulatory Environment* takes place at the *San Francisco Airport Marriott Hotel* on September 9-10th. Additional information is available at www.cmanet.org (select *Conferences, CME, Meetings, Seminars*). Additional sites/dates (San Francisco, September 2006; Anaheim, January & December 2006) have been scheduled. CMA and the *University of California, San Diego*, have launched a unique case-based CME program entitled *Pain Management: A Case-Based CME Program for Physicians* on DVD that physicians can use to receive their State-mandated CME. Contact UCSD at (888) 229-6263 for more information.

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.]

The **Medicare B Resource** (June 2005) is available online at www.medicarenhic.com/news/provider_news/mbr_jun05.pdf.

Effective July 1st, CMS and NHIC/Medicare will begin to implement a process by which **non-HIPAA compliant (aka "paper") claims could be denied for providers who do not meet with a waiver or an exception.** The details of this compliance are provided in a *MedLearn Matters* article available at www.cms.hhs.gov/medlearn/matters/mmarticles/2005/MM3440.pdf. Please note that one of the waivers/exceptions to this compliance is for physicians with fewer than ten (10) FTEs that bill a Medicare carrier.

Physicians can now apply for **National Provider Identifiers** (NPIs). Physicians who are covered by HIPAA will need these standard unique identifiers to submit HIPAA-compliant claims; physicians who are not covered by HIPAA do not have to obtain NPIs, but may do so if they wish. NPIs will replace health care provider identifiers in use today in standard health care transactions. An instructional website (www.cms.hhs.gov/medlearn/npi/npiviewlet.asp) provides an overview of the NPI, a walkthrough of the application, as well as live links to where the

learner can apply for an NPI. This tool is designed for all health care providers. CMS recently announced plans for transitioning to NPIs, as follows:

- Between May 23rd, 2005 and January 2nd, 2006, claims processing systems will accept an existing legacy Medicare number and reject as unprocessable any claim that includes only an NPI.
- Beginning January 3rd and through October 1st, 2006, systems will accept an existing legacy Medicare number or an NPI as long as it is accompanied by an existing legacy Medicare number.
- Beginning October 2nd, 2006, and through May 22nd, 2007, systems will accept an existing legacy Medicare number and/or an NPI.
- Beginning May 23rd, 2007, systems will only accept an NPI.

Visit www.medicarenhic.com/whats_new/whats_new.shtml to learn the latest information (updated weekly) from NHIC/Medicare. Weekly updates are also posted on ANCO's WebLog (at www.anco-online.org/news/index.html; under *California News*).

EDUCATION

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

ANCO Audio Conference: Managed Care Contracting in an ASP World

ANCO will host another audio conference on July 13th at 12PM to discuss *Managed Care Contracting in an ASP World*. John Hennessy, Executive Director, Kansas City Cancer Center, will present ways to evaluate new opportunities in contracting that have developed in this confusing time for medical oncologists and payers. *US Oncology* is sponsoring this ANCO audio conference. An announcement for this audio conference was FAXed to all ANCO practices on June 27th.

Visit www.anco-online.org/hennessy.html to download the meeting registration form and materials.

SAVE THE DATE!

ANCO's 2005 Annual Meeting

ANCO will hold its 2005 *Annual Meeting* from Friday evening, October 14th, through Sunday morning, October 16th at the *Tenaya Lodge at Yosemite*. Physician members and their nurse and practice managers should plan on attending this event. A distinguished national and local faculty will present the latest national and statewide legislative/regulatory updates, discuss ethical issues in oncology care, present information on the use of physician extenders, debate legal issues in drug contracting, and dissect CMS's *Competitive Acquisition Program* (CAP). A Save-the-Date is attached to this issue of the *ANCO FAX News*. Watch for registration and housing details in July.

Additional Education Meetings

Other meetings of possible interest to ANCO member practices are:

July 12th
Finding New Ways to Cope with Fatigue
 CancerCare (and others)
 Telephone Education Workshop
 (www.cancercare.org)

July 13-16th
Science Driving New Therapies in Cancer Medicine
 American Association for Cancer Research
 La Jolla

August 10th
Improving Your Chemotherapy Experience
 CancerCare (and others)
 Telephone Education Workshop
 (www.cancercare.org)

September 9-11th
From Research to Action: Seeking Solutions
California Breast Cancer Research Symposium
 California Breast Cancer
 Research Program
 Sacramento

ANCO thanks

US Oncology

for supporting clinical and professional education.

September 13-16th

*Partnering to Shape the Future of Cancer Care:
22nd National Oncology Economics Conference*
Association of Community Cancer Centers
Portland, Oregon

September 15-18th

*8th Biennial Oncology, Hematology, and Stem Cell
Transplantation Conference*
Alta Bates Comprehensive Cancer Center
Half Moon Bay

September 17-18th

*The Essentials of Pain Medicine: What You Need to
Know on the Front Line of Medicine*
American Academy of Pain Medicine
Los Angeles

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

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 at www.anco-online.org features:

- a general description and introduction to the *Association*, its activities, leadership, and membership benefits.
- advocacy information (including ANCO and ASCO MMA resources).
- clinical and professional education meeting announcements and distributed materials.
- survey reports and publications and WebLog.
- clinical trials information.
- links to affiliated organizations, and updated physician, nurse, manager, and patient resources.

The WebLog (ANCO News On-Line) posts and archives important news for oncology practices on an almost daily basis. Among the additional news topics covered at www.anco-online.org/news/index.html are:

- ACCC Alerts

- ANCO meeting announcements
- ASCO's e-News, MMA Special Alerts, and MMA Today's
- CMA Alerts
- CMS/Medicare Website Updates
- NHIC/Medicare Website Updates

ANCO urges its members to bookmark www.anco-online.org/news/index.html (or subscribe to www.anco-online.org/news/rss.xml using your favorite news reader software; e.g., RssReader for Windows or NetNewsWire for Macintosh) and refer to it often.

California Oncology Consortium (COC)

The COC is a cooperative venture of ANCO and MOASC. The *Consortium* maintains two ListServes for the exchange of general/administrative and clinical information and has a group purchasing organization (GPO).

Hematology Oncology Leadership Network (HOLN)

HOLN is a network of state oncology and oncology manager societies from Northern California, Southern California, Connecticut, Georgia, New Jersey, Ohio/West Virginia, Pennsylvania, South Carolina, Tennessee, and Virginia. As an ANCO member, you may enroll in HOLN and benefit from discounted pricing from 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 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, and ways to better serve the membership. *Board* meetings are open to the

individual physician members. The **next regularly scheduled ANCO Board of Directors teleconference** will take place on July 7th. 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 2005 was published and mailed in June to all physician members; nurse and office manager contacts; and, Corporate Member representatives. Additional copies will be available from the ANCO office upon request. The next *Directory* will be published in June 2006.

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

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Corporate 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
Bayer Oncology/Onyx Pharmaceuticals
Berlex Laboratories • biogenIDEC
Bristol-Myers Squibb Oncology
Cell Therapeutics • Chiron Corporation
Enzon Pharmaceuticals
Genentech BioOncology
Genitope Corporation • Genomic Health
GlaxoSmithKline
International Oncology Network
Lash Group Healthcare Consultants
Lilly Oncology • Matrix Oncology
MedImmune Oncology • MGI Pharma
Millennium • National Oncology Alliance
Novartis Oncology • Oncology Supply
Oncology Therapeutics Network
Ortho Biotech • OSI Pharmaceuticals
Pfizer Oncology • Roche Oncology
Sanofi Aventis Oncology
Schering-Plough Oncology • SuperGen
US Oncology • Wyeth Oncology*

We especially wish to thank and welcome *Enzon Pharmaceuticals* as a new Corporate Member in 2005. *AstraZeneca*, *Ligand Pharmaceuticals*, and *Oncotech* have not renewed their Corporate Membership for 2005.

Institutional Member News

ANCO thanks the following **Institutional Members** for their support:

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

ANCO members can obtain information about Institutional Member's clinical trials, including the latest edition of UCSF's *GI Oncology Trials Newsletter*, at www.anco-online.org/trials.html.

The *Education Network to Advance Cancer Clinical Trials* (ENACCT) is pleased to announce the launch of its *Pilot Education Program* (PEP)—a **new funding opportunity for cancer clinical trials education efforts**. ENACCT will award a total of \$1,350,000 to three community-based partnerships to develop unique approaches to foster awareness about, enhance the acceptability of, and improve access to clinical trials. The preliminary application, as well as promotional material about the grant program, can be found at www.enacct.org/appguide. The application deadline is July 11th.

For information on **continuing medical education meetings being organized by our Institutional Members**, please visit:

- med.stanford.edu/seminars/cme-all.jsp?qcme=on
- www.ucdmc.ucdavis.edu/cme/Confrnce/Confrnce.htm
- www.cme.ucsf.edu/cme/index.aspx?Display=Date

Together, Facing Lung Cancer encourages patients, friends, family members, and physicians to work together, offering guidance for patients and loved-ones in dealing with diagnosis and social challenges associated with a diagnosis of lung cancer. David Jablons, M.D., and Jimmie Holland, M.D., will be speaking to patients and family members at the *University of California, San Francisco (UCSF) Cancer Resource Center* (Herbst Hall) on July 14th from 6-7PM. For more information or to register for this meeting, please call/e-mail (800) 724-1136/info@togetherfacinglungcancer.com. *Together, Facing Lung Cancer* is brought to you by the *Lung Cancer Alliance*, *Genentech*, and *OSI Pharmaceuticals*.

Stanford's Advances in Hematology 2005 Symposium takes place in Palo Alto on November 4-5th. Visit hematology.stanford.edu/education/index.html for more information.

UCD's *6th Annual Advances in Oncology: Updates from ASCO, ACCR, and SWOG* takes place in Sacramento on November 5th.

The *7th Annual UCSF/UCD Thoracic Oncology Conference* takes place in San Francisco on November 12th. Visit www.cme.ucsf.edu/cme/CourseDetail.aspx?coursenumber=MSU06002 for more information.

UCD's **online CME pain management courses** are now available at www.ucdmc.ucdavis.edu/cme/DistEd/WebEvents/PainEvents.htm. In addition, UCD is offering several **live pain management courses** in California. Visit www.ucdmc.ucdavis.edu/cme/Confrnce/Confrnce.htm for additional information.

Publications, Services, & Surveys

ANCO recently surveyed its members on the **impact of MMA**. The survey was distributed via FAX on April 25th. Responses received through May 31st are summarized below (and compared to 4Q04 MMA *Impact Survey* results).

- 28 (14) total practice **responses** (of a possible 100 practices)
- **Demographics—**
Respondents reported 1.80 (1.57) locations with 3.10 (3.17) FTE MDs/PAs/NPs, 0 (0.37) Pharm Techs, and 4.50 (3.42) FTE RNs per practice (w/ essentially 0 teaching-only RNs and 0 (3+) triage-only RNs reported in the entire sample); 9.10 (5.89) infusions per day per nurse reported.
- **Medicare Patient Population—**
100.0% (96.6%) of practices responding accept Medicare patients. Of those that accept Medicare patients, 0% (3%) have less than 20% of their patient population covered by Medicare; 85% (80%) have 20-60% of their patient population covered by Medicare; and, 15% (17%) have more than 60% of their patient population covered by Medicare.
- **MMA—**
100.0% (96.6%) of the practices responding were familiar with MMA with 92.3% (76.7%) very concerned with MMA and 7.6% (23.3%) somewhat concerned with MMA.
- **Practice Actions in (Plans for) 2005—**
Given the implications of MMA, did/does

your practice (how likely is your practice to)...

...stop conducting clinical trials?

7 No (12 Unlikely)

3 Yes (9 Likely)

3 (8) Not applicable/no opinion

...send chemotherapy patients to a hospital for treatment instead of treating in-office?

9 No (7 Unlikely)

5 Yes (22 Likely)

...reduce the number of office personnel?

5 No (18 Unlikely)

2 Yes (12 Likely)

6 (0) Not applicable/no opinion

And, 12 of 14 practices report pursuing the collection of copayments more aggressively.

...reduce the number of nurses?

3 No (18 Unlikely)

1 Yes (9 Likely)

7 (3) Not applicable /no opinion

And, 5 of 12 practices reduced the amount of time nurses spend on patient teaching; 2 increased patient teaching time; and, 5 reported no changes.

...place a limit on the number of Medicare patients your practice treats?

12 No (20 Unlikely)

2 Yes (10 Likely)

...stop treating Medicare patients entirely?

14 No (27 Unlikely)

0 Yes (3 Likely)

And, 13 of 14 practices did not increase the number of Medicare patients seen.

...stop treating all patients entirely?

14 No (29 Unlikely)

0 Yes (1 Likely)

Will MMA cause any of your FTE physicians to retire from practicing medicine earlier than they had originally planned?

1 (7) Yes

2 (13) No

Additional data collected in 2Q05 (not collected in 2Q04) includes the following:

- Nine (9) of 12 practices responding have **ancillary profit centers**, including clinical trials, laboratory (including

CBCs), and radiology (including x-ray, MRI, PET).

- Two (2) of 12 practices reduced their **hours of operations**.
- Six (6) of 12 practices deferred **capital expenditures** or delayed **expansion plans**; 3 did not.
- Five (5) of 12 practices increased **credit lines, loans**, or saw a reduction in **cash reserves**; 4 did not.
- Nine (9) of 12 practices report that MMA had an **impact on clinical decision making**.
- Six (6) of 13 practices report that **private payers have adopted the temporary G codes for drug administration**. Only 1 practice reports that private payers have adopted ASP as a basis for drug reimbursement. Finally, 3 practices report that **private payers have adopted the cancer care demonstration project G codes**.
- Six (6) practices have increased the **number of drug distributors through which they purchase drugs**. Seven (7) practices reported **paying for drugs earlier to accept discounts offered by distributors for prompt payment of drugs**.
- Ten (10) practices were familiar with Medicare's proposed **Competitive Acquisition Program (CAP)**; 3 had heard of CAP but were not familiar with its details. Nine (9) practices were unlikely to **participate in CAP**; 4 were unsure.
- A long list of commonly-used **drugs were reported to cost more than ASP plus 6%** (including, but not limited to 5-FU, Aranesp, Cytosan, Doxil, Doxorubicin, Epogen/Procrit, Fludarabine, Intron/Interferon, IVIG, Lovenox, Mannitol, Methotrexate, Mustargen, Mutamycin, Neulasta, Novantrone, Ontak, Pamidronate, Rituxin, Sandostatin, Taxol, Topotecan, Velcade, Vepesid, Vinblastine, Zoladex).