

Congress of the United States

Washington, DC 20515

October 8, 2004

The Honorable Mark McClellan
Administrator
Centers for Medicare and Medicaid Services
Hubert Humphrey Building, Room 314-G
200 Independence Avenue, SW
Washington, DC 20201

Dear Dr. McClellan:

We have followed, in as much detail as possible, the development of new and revised drug administration codes by the Common Procedure Terminology (CPT) Editorial Panel and RVS Update Committee (RUC). Additionally, we have closely monitored the Centers for Medicare and Medicaid Services' (CMS) work to develop a sound Average Sales Price (ASP) methodology. We are truly grateful for your leadership on these issues and the diligence with which each group has fulfilled its responsibilities. We also appreciate the willingness of CMS staff to listen to the oncology community and to keep the stakeholders well informed.

Nonetheless, time is not on our side. Because of the complexity of the practice expense reimbursement and drug pricing systems, and the interactions that will have immediate consequences on physician practices, it is our belief that you must take strong action now to steady the provider community, prevent patient access problems, and assure a smooth transition to the new world of post-Medicare Modernization Act oncology payments.

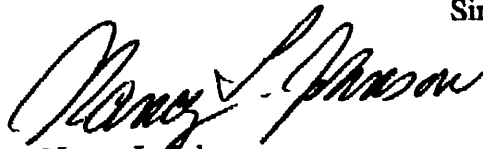
Consequently, now that the RUC has reported to you, we urge you to release as much detail about the new RUC-approved procedure codes as possible so physicians can understand which specific care costs are encompassed by the new codes. Physicians need to understand the positive impact the proposed changes to procedure codes will have on their practices. In addition and as a result of our discussions, it has become clear that compensation for certain expenses, severe reaction management for example, doesn't require the adoption of new codes, but is possible under existing, but currently unused codes. This needs to be clearly explained to the community as soon as possible.

Lastly, laymen need a clear understanding of the timeframe that will govern the concluding steps of the regulatory process. Throughout this process, you have provided outstanding leadership within the agency and in working with the physician groups' national leadership. We encourage you to continue to work with the national groups and to reach out beyond Washington, D.C. to provide greater certainty to the oncology community as a whole. To the extent possible, physicians need some sense of when they can expect notification of final coding, compensation, and ASP decisions and data.

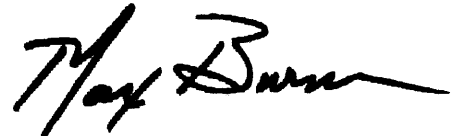
Thank you for your consideration of these suggestions, which arise from our observations of the process and the concerns we have heard from our colleagues as they travel throughout their districts. Our shared goal should be a smooth transition to the new payment system and the prevention of premature physician decisions based on incomplete or unclear information that could potentially undermine access to care for cancer patients.

We look forward to your response to these ideas and again thank you for your outstanding leadership of a complicated process, your responsiveness to physician concerns, and your dedication to assuring the future of quality cancer care.

Sincerely,



Nancy L. Johnson
Chairman, Subcommittee on Health
Committee on Ways and Means



Max Burns
Member of Congress

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