

## Republicans Strip RUC Recommendation From Letter Opposing Radiation Pay Cuts

Republicans rejected one of the primary lobbying strategies by the largest radiation oncology trade group, the American Society for Radiation Oncology (ASTRO), refusing to back “dear colleague” letters suggesting that CMS defer recommendations on radiation oncology payment to the controversial Relative Value Scale Update Committee (RUC) advisory board, industry lobbyists say. Republicans were influenced by radiation oncologists who work at freestanding cancer centers and their decision highlights the potential for a fight between hospital-based radiation oncologists and those who work at freestanding centers.

Industry estimates that the CMS proposal in the 2013 Medicare Physician Fee Schedule proposed rule would lead to a 40% payment cut for intensity modulated radiation therapy and a 28% cut for stereotactic body radiation therapy. But those cuts only apply to services provided at freestanding cancer centers. In the separate Hospital Outpatient Prospective Payment System (HOPPS) proposed rule, CMS called for slightly increasing hospital payment for those same services. A provider source says that creates a problem for ASTRO, because they represent both hospital- and freestanding center-based physicians, and the majority of its members work in hospitals.

ASTRO is lobbying against the cuts and on August 1st they released a survey in which 70% of its members reported that they might have to limit Medicare patients, and 49% said they may no longer accept Medicare patients at all, if CMS sticks with the proposed Physician Fee Schedule cuts. Another 35% of freestanding centers said they might have to close their practices, and 64% said they might have to consolidate practice locations, which means that patients, especially those in rural areas, would have to drive further for daily treatments that typically run six to eight weeks.

ASTRO has enlisted the help of both Democrats and Republicans. Representatives. Joe Pitts (R-PA) and Frank Pallone (D-NJ) are leading the effort in the House and Senators Debbie Stabenow (D-MI) and Richard Burr (R-NC) are collecting signatures for a dear colleague letter in that chamber. But neither the House nor Senate dear colleague letters mention ASTRO's preferred approach for dealing with the proposed cuts by sending them to the RUC, which is run by the American Medical Association.

ASTRO CEO Laura Thevenot reported that the RUC is the way that physician and freestanding center payment rates have been determined for two decades. ASTRO believes its data will show that the payment reductions are not warranted. Industry sources said CMS is correct that cancer radiation services take far less time than is currently assumed -- payment is determined in part by how long it takes doctors to treat patients. However, physicians have been able

to cut down on treatment times by buying expensive equipment, and the current payment proposal far undervalues the cost of that equipment, industry lobbyists said.

Some industry lobbyists said the RUC would likely also recommend significantly cutting pay and they question ASTRO's intentions in recommending a RUC review. CMS has the final say over Physician Fee Schedule payment rates, and the RUC is an advisory board. The RUC has been extremely influential, but that influence has become controversial in recent years and many believe that the RUC's influence is diminishing. Thus, the lobbyists said, if the RUC were asked to recommend radiation oncology pay rates, especially now that it knows what CMS wants, there is little doubt that the RUC would go along with the cuts to maintain its credibility with CMS.

Lobbyists representing freestanding cancer centers went to Congress with this message and Republicans took their message to heart, sources say. Instead of going through the RUC, the plan is to deal directly with CMS.