

Congress of the United States
Washington, DC 20515

September 12, 2011

SUPPORT CANCER CARE
SIGN THE LANCE-PASCRELL LETTER

Current Signers: McKinley, Ross, Meehan, Bilbray

Dear Colleague,

We will soon be sending a letter to the members of the Joint Select Committee on Deficit Reduction in an effort to ensure that cancer patients across the nation can continue to have access to lifesaving medical treatments. We ask that you join us in this important effort.

Specifically our letter calls on the committee members to reject potential cuts to Medicare Part B reimbursement for drugs and biologics medicines that fight cancer and other serious diseases. These cuts have been discussed both in the context of the national debt ceiling negotiation and most recently, in a memo released by the staff at the Committee on Ways and Means.

If you would like to sign the Lance-Pascrell cancer letter or have any questions, please contact Jeffrey Last (Lance) at jeffrey.last@mail.house.gov or Rose Hacking (Pascrell) at rose.hacking@mail.house.gov. We hope to have your strong support.

Sincerely,

Leonard Lance
Member of Congress

Bill Pascrell, Jr.
Member of Congress

Dear XX:

We appreciate the hard work you are doing as a member of the Joint Select Committee on Deficit Reduction and applaud your willingness to tackle the difficult fiscal issues facing our Nation.

However we are very concerned about any discussion to include \$3 billion in cuts to Medicare Part B reimbursement for drugs and biologics medicines that fight cancer and other serious diseases. We believe these potential cuts, if enacted, would adversely affect cancer care in the U.S.

As you know Congress reformed Medicare Part B reimbursement as part of the 2003 Medicare Modernization Act, and payment amounts for drugs and biologicals were then dramatically reduced. Payments are now set using the Medicare Average Sales Price (ASP) system, which includes the actual prices paid by physicians and other drug purchasers.

The Medicare ASP is a market-driven reimbursement mechanism that has driven down Medicare costs. In fact, the Congressional Budget Office estimated that Medicare would save almost \$16 billion over 10 years by reducing payments for Part B drugs using the current ASP system compared to the old reimbursement system. The Medicare Payment Advisory Commission (MedPAC) that advises Congress on Medicare matters said that ASP has resulted in, “substantial price savings for Medicare on nearly all drugs and those payment rate changes drove decreased spending.”

Enacting cuts to ASP could also worsen an already troubling access problem, as community oncology practices are already struggling even as demand for cancer care is now starting to exceed the supply of oncologists. According to one report, in the last 3 1/2 years alone, 199 cancer clinics have closed and 369 practices, with multiple clinic locations, are struggling financially. And it is predicted that over the next ten years there will be an oncologist shortage for one in four cancer patients, and enacting \$3 billion in cancer cuts will only exacerbate this problem.

The U.S. has the best cancer care delivery system in the world. Eighty-four percent of Americans receive quality, compassionate care in the community cancer setting. It is imperative that Congress continues to ensure that cancer patients across the nation can continue to have access to lifesaving medical treatments.

It is for this reason that we urge you not to sacrifice cancer care while seeking deficit reduction solutions.