

July 13, 2011

The Honorable Barack Obama
President of the United States
The White House
1600 Pennsylvania Avenue
Washington, DC 20050

Dear Mr. President:

To help protect the interests of individuals with cancer, the undersigned organizations, representing patients, distributors, and over 30,000 health providers who treat millions of Americans with cancer, urge you to oppose the \$3 billion in cuts to Medicare reimbursement for cancer-fighting drugs and biologics that Members of Congress have discussed in the context of the national debt ceiling. Enacting a significant reduction in Medicare drug reimbursement would be devastating to both community cancer clinics and their patients.

Due to the financial and administrative burdens that currently exist, community oncology practices already are reducing services and closing their doors across the United States at alarming rates. Additional Medicare cuts will result in a delay of services if providers are forced to eliminate or cut back on services. According to one study, over the past 3 years 199 cancer clinics have closed and 369 practices, with multiple clinic locations, are struggling financially.¹ Specifically, practices already face significant Medicare cuts imposed on chemotherapy drugs and services. The cumulative effect of these cuts is compounded by the fact that chemotherapy agents are reimbursed at artificially low rates under Medicare because manufacturer-to-distributor prompt pay discounts are included in the calculation of average sales price.

In recognition of the dire financial reality currently facing community oncology practices and the access impact to Medicare beneficiaries fighting cancer, almost 50 bipartisan Congressional leaders have co-sponsored HR 905 (Whitfield/Green) and S 733 (Stabenow/Roberts) to improve the viability of community cancer care. The cuts currently under consideration take the exact opposite direction from the changes these leaders recognize must be made to preserve the nation's cancer care delivery system.

As community-based cancer practices are forced to limit services and close, Medicare beneficiaries and other patients with cancer will face barriers to access to care. Forcing cancer patients to travel outside of their communities for oncology services often results in duplicative and unnecessary services, additional co-pays, and physical and emotional suffering. In addition, closures result in job losses in the affected communities for skilled professionals such as oncology nurses, physician assistants and administrative staff.

In the face of the Medicare changes enacted through health care reform, we urge Congress to refrain from targeting for dramatic cuts the vulnerable Medicare population that requires life-

¹ Community Oncology Alliance – Community Impact Report Updated March 2011 - <http://www.communityoncology.org/COAStudies.aspx>

sustaining cancer therapies. Congress can protect the interests of both the Medicare program and Medicare beneficiaries by promoting evidence based medicine, not through wholesale cuts.

We share your goal of ensuring that cancer patients have access to affordable, quality, cancer care. At this time of great promise in cancer treatment, and as we face increasing incidence of cancer and a projected workforce shortage in oncology, we urgently need to strengthen the nation's cancer care delivery system, not weaken it. On behalf of the millions of cancer patients, we ask you to remove these debilitating cuts to cancer drugs and biologicals under Part B. Thank you for your consideration of this urgent request.

Signed,

Association of Community Cancer Centers

American Society of Clinical Oncology

AmerisourceBergen

Community Oncology Alliance

Healthcare Distribution Management Association

McKesson

National Coalition for Cancer Survivorship

National Patient Advocate Foundation

The US Oncology Network

UPMC Cancer Centers

cc: Speaker Boehner, Leader Reid, Leader Cantor, Leader McConnell, and Leader Pelosi