

The Road to Radiation Oncology Payment Reform

Medicare's fee-for-service payment systems do a poor job of encouraging value-based, high-quality care. Radiation oncology services, in both hospitals and physician offices, are a prime example of how these payment systems do not support access to care, nor do they incentivize the best delivery of care.

More than a decade of severe reimbursement cuts and payment incentives that run counter to clinical guidelines are just two reasons why the radiation oncology community has aggressively pursued alternative payment models that drive value-based care. **The Radiation Oncology Case Rate (ROCR) Value-Based Care Act provides an evidence-based policy solution to generate savings for Medicare while safeguarding access to high-quality cancer care for all Americans.**

Cuts Spur Action from Congress and Radiation Oncology Stakeholders

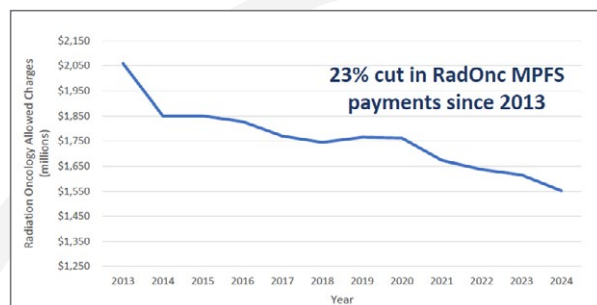
Starting in 2009, the Centers for Medicare and Medicaid Services (CMS) initiated a series of annual rate reductions for key radiation therapy services under the Medicare physician fee schedule. From 2009 to 2015, bipartisan members of Congress urged CMS to stop — or at least scale back — these draconian cuts that reduced access to community-based radiation oncology.¹ In 2015, with additional cuts forthcoming, Congress passed the Patient Access and Medicare Protection Act (PAMPA) that, among other things, froze payments for key radiation therapy services and directed the Secretary of the Department of Health and Human Services to issue a report on the development of a radiation oncology alternative payment model.



The radiation oncology community actively engaged with CMS and the Center for Medicare and Medicaid Innovation (CMMI) on the report, outlining various proposals that included establishing episode-based payments. In 2017, CMS released the congressionally-directed report², noting that an alternative payment model (APM) could establish long warranted rate stability to ensure continued access to this vital and high-value form of cancer care, and described potential parameters for such a model.

The radiation oncology community applauded the report and began working with CMMI to inform the development of an APM. In July 2019, CMMI proposed a mandatory radiation oncology alternative payment model (RO Model) to test whether changing payment from fee-for-service to a prospective, site neutral, episode-based model would incentivize physicians to deliver higher-value radiation therapy care. Unfortunately, this model would have resulted in steep payment reductions that would have jeopardized the financial viability of participating practices, and included onerous reporting requirements that would have imposed significant burdens on participating practices. There was widespread recognition of these challenges from the radiation oncology community, American Hospital Association, American Medical Association, and cancer patient groups.

Stakeholders submitted exhaustive comments through rulemaking on ways to mitigate these challenges and improve the RO Model, but very few adjustments were made, which resulted in significant anxiety for those practices forced to participate during the height of the COVID-19 public health emergency. Congress also wrote³ CMS expressing concerns about the lack of balance in the RO Model and stepped in twice to pass legislation delaying the RO Model's implementation. In 2022, CMS indefinitely delayed the Model; yet the payment issues still exist for radiation oncology services and have only worsened in recent years because of other changes in the Medicare Physician Fee Schedule (MPFS). **Cumulatively, radiation therapy payments have been cut by 23% since 2013.**



A New Path to Payment Reform

Despite the demise of the RO Model, the radiation oncology community and its leading organizations remain committed to payment reform. In January 2024, the American Society for Radiation Oncology (ASTRO), American College of Radiation Oncology (ACRO), American College of Radiology (ACR), and the Association of Clinical Oncology (ASCO) issued a joint statement⁴ supporting payment reform in radiation oncology. A March 2024 survey by ACRO found that 61% of radiation oncologists agree or strongly agree with the implementation of episode-based payments in radiation oncology.

The radiation oncology community has continued to work on payment reform, drawing on the strengths of the RO Model — specifically the use of episode-based payments — and seeking to address its weaknesses, including steep payment cuts, burdensome quality requirements, and the absence of an approach to reduce known disparities. In June 2023, ASTRO unveiled the Radiation Oncology Case Rate (ROCR) program to change payments from volume-based to value-based with the goals of increasing access, enhancing quality, and reducing disparities while achieving Medicare savings.

Comparison between the RO Model and ROCR

	Radiation Oncology Model (RO Model)	Radiation Oncology Case Rate (ROCR)
Status	Indefinitely delayed	House and Senate Legislation
Authority	CMMI model under Sec. 1115A	New program under Title 18
Participation	30% of practices	Nearly all practices
Payment Updates	Complicated formula that reduced payments annually	Simplified formula tied to annual inflationary updates
Methodology	Episode-based payments based on three years of data	
Site of Service	Unified payment based on hospital rates	
Covered Cancers	15 most common cancers treated with radiation therapy	
Covered Modalities	External beam radiation therapy, including proton therapy	External beam radiation therapy, excluding proton therapy
Savings	Discount factors totaling \$230 million over 5 years	Savings adjustments totaling \$200 million over 10 years
Quality	Burdensome reporting of low-value quality metrics	Accreditation to ensure safety and quality improvement
Disparities/Equity	None	Transportation support for rural/underserved patients
New Technology Adoption	None	Inclusion after 10 years with stakeholder support

The road to radiation oncology payment reform has been winding, spanning more than a decade and marked by significant investment from Congress, multiple Administrations, the radiation oncology community, and other stakeholders.

THE ROCR ACT REPRESENTS THE CULMINATION OF THAT TIME AND EFFORT— a balanced, consensus-backed, evidence-based policy solution to secure access to high value radiation therapy for patients today and tomorrow.

REFERENCES

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