# PROTECT PATIENT ACCESS TO HIGH-VALUE RADIATION THERAPY CANCER SERVICES

***Legislation needed this year to stop nearly $300 million in cuts to radiation therapy payments starting in 2022 under the Medicare physician fee schedule and the Radiation Oncology Model (RO Model).***

Threatening patient access to cancer care, the Centers for Medicare and Medicaid Services (CMS) is cutting radiation oncology reimbursement by about 8% (nearly $150 million) under the physician fee schedule and by $150 million under the RO Model. The fee schedule cuts stem from several policy changes, including the expiration of the 3.75% increase to the conversion factor and updates to clinical labor pricing. Reductions in the RO Model, which is a mandatory payment model designed to test episode-based bundled payments to 950 radiation oncology group practices and hospital departments, are due to excessive discount factor payment cuts.

**BACKGROUND:** Radiation oncology is the backbone of the nation's cancer delivery system, providing cost-effective care for more than half of all cancer patients. Radiation oncology has been resilient throughout the COVID-19 pandemic, continuing to treat patients safely and effectively, despite significant revenue reductions. The American Society for Radiation Oncology (ASTRO) and the radiation oncology community have proactively pursued an alternative payment model (APM) for radiation oncology that incentivizes high quality, efficient care, while stabilizing payments to ensure access to the latest technology in the fight against cancer.

Congress has long supported radiation oncology's value-based payment goals, passing bipartisan legislation several times to freeze Medicare payments and allow for a smooth transition away from fee-for service. **In October, more than 100 bipartisan Members of Congress wrote the Biden Administration objecting to excessive radiation therapy payment cuts under the fee schedule and the RO Model.**

**KEY ISSUES:**

- **End Cancer:** Patients will suffer the impact of severe Medicare cuts to radiation cancer treatments, which is a setback in our goals to end cancer and advance health equity.
- **Close to Home:** Excessive cuts will jeopardize cancer patients' access to state-of-the-art care close to home, as clinics cut back services or even close. Payments for some radiation treatments for breast and prostate cancer will drop by nearly 10%, with an advanced, life-saving lung cancer treatment cut by nearly 14%.
- **Disparities Exacerbated:** Practices treating underserved populations will be hit hardest, preventing them from providing critical wraparound services, such as care navigation and transportation. Instead of cuts, CMS should invest in support services to improve access to radiation therapy for underserved populations.[1]
- **Rural Impact:** Rural patients already face significant barriers to care and now will risk losing access to cancer treatment in their communities, forcing long and expensive travel.
- **Freefall:** Cuts to radiation oncology are among the highest of any medical specialty this year, as radiation oncology Medicare reimbursement has plummeted by nearly 25% since 2012.

**LEGISLATIVE REQUEST:** Building off prior legislation, the radiation oncology community is asking Congress to:

1. **Freeze most radiation therapy payments at 2021 levels.** This would:
    - Provide long-sought payment stability for community-based practices.
    - Ensure a clean evaluation of the RO Model.
2. **Reduce the RO Model discount factors to 3% for professional and technical payments.** This would:
    - Ensure a more balanced distribution of payment impacts among RO participants.
    - Allow the model to still produce approximately $100 million in Medicare savings over 5 years.
3. **Restore the 5% APM incentive payment to eligible freestanding center technical payments.** This would:
    - Adhere to Medicare payment law's requirement to apply the 5% bonus fee schedule payments.
    - Help freestanding centers offset high costs of model participation and improve chances for success.

## ASK: CONGRESS MUST PASS LEGISLATION THIS YEAR TO AVOID MEDICARE PAYMENT CUTS TO RADIATION ONCOLOGY.

[1] "Impact of Patient Stage and Disease Characteristics on the proposed Radiation Oncology Alternative Payment Model (RO-APM)." Int J Radiation Oncol Biol Phys, Vol. 106, No. 5, pp. 905-911, 2020. https://doi.org/10.1016/j.ijrobp.2019.12.012

## Stories from the Radiation Oncology Frontlines

"**My practice would close.** I practice in an underserved area with a high proportion of Medicaid patients. The "profit margin" has been low for over a decade, but an additional cut would lead to the department closing. This is one of the poorest cities in Pennsylvania and there is no other Radiation Oncology department in this city. **Patients would then need to travel for their care, but a lot of them do not own cars and struggle to pay for basic necessities, so traveling for their cancer care is unlikely.**"

*--Pennsylvania Radiation Oncologist*

"**The unending stream of cuts to radiation oncology reimbursement will prohibit my practice from responsibly caring for all those in need.** For all patients, both insured and uninsured, we focus on using the best possible means of treating patients as our top priority. Very often, this necessitates the use of materials and techniques for which we incur substantial additional cost without any additional reimbursement. Though it is already a substantial financial challenge, we've been able to continue the "best treatment first, cost consideration second" approach. However, **cuts of this magnitude will undoubtedly have an adverse impact on our ability to utilize all available resources to optimize patient treatment.**"

*--Alabama Radiation Oncologist*

## Congressional Oversight Letters Opposing Medicare Cuts

***Letter led by Reps. Brian Higgins (D-N.Y.) and Brian Fitzpatrick (R-Pa.)***

*The letter from 67 members of the House noted that,* ***"Emerging from COVID-19, radiation oncologists are struggling to treat patients that missed screenings and now require more complex treatments for more advanced cancers," but that the extreme cuts "threaten the ability of patients, particularly underserved populations, to receive state-of-the-art care close to home."*** *The representatives said they "remain committed to an alternative payment model for radiation therapy services that improves quality, stabilizes reimbursement, and reduces disparities, but* ***we are concerned that these severe cuts create instability and undermine the transition to value-based payment."*** *Read the letter here.*

***Letter led by Sens. Debbie Stabenow (D-Mich.) and Richard Burr (R-N.C.)***

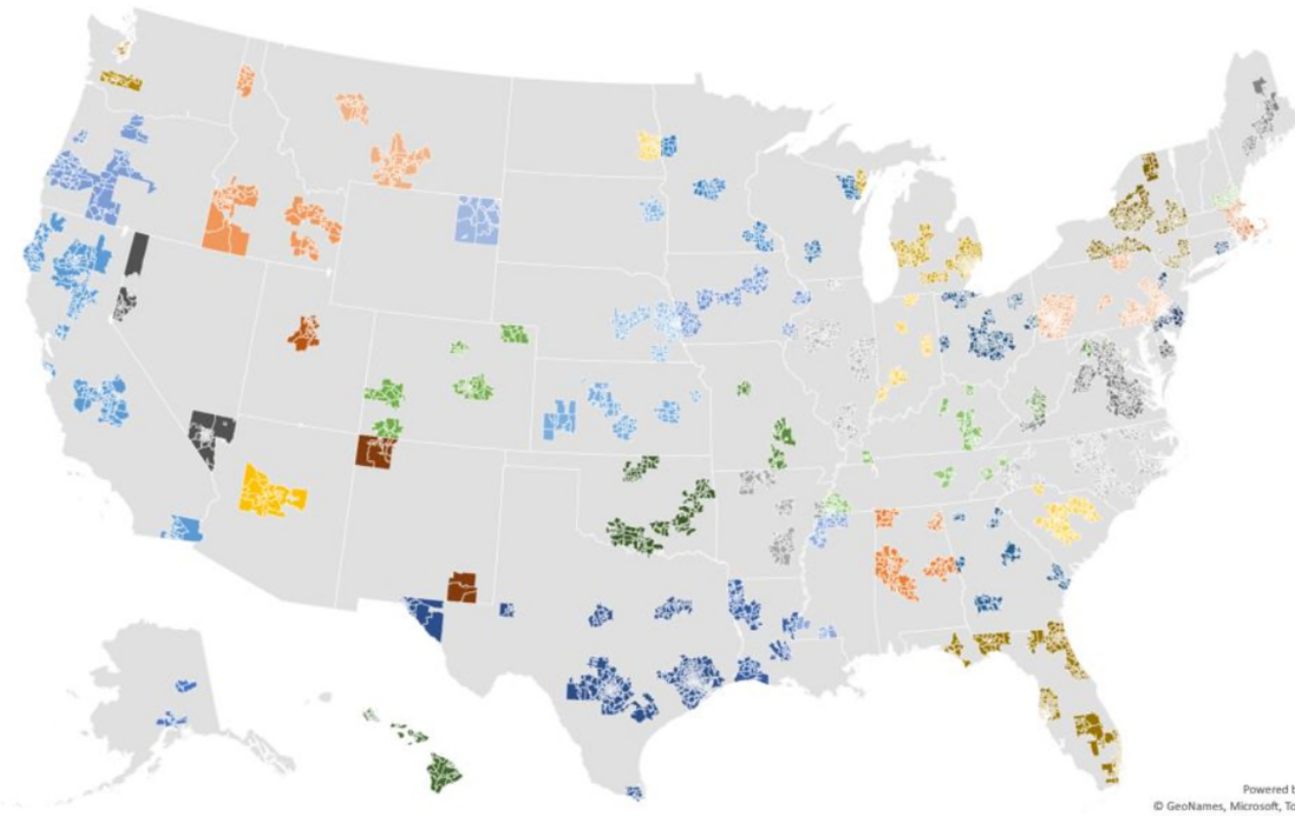
*A group of 18 senators led by the Senate Finance Committee's longstanding supporters of radiation oncology wrote,* ***"We are concerned that devaluing [radiation therapy] services could have chilling effects on patient access to life-saving care and urge CMS to mitigate the impact on radiation oncology providers."*** *They also emphasized that "We recognize the valuable role radiation therapy plays in meeting the needs of oncology patients and are concerned* ***these proposed cuts could jeopardize access to high-quality treatment."*** *Read the letter here.*

***Quad Caucus Letter led by Reps. Tony Cárdenas (D-Calif.) and Bobby Rush (D-Ill.)***

*The letter from 27 members of the Congressional Black Caucus, the Congressional Hispanic Caucus, the Congressional Asian Pacific American Caucus and the Congressional Native American Caucus explains that* ***"the impact of the proposed rule could force community-based cancer clinics, many of which serve minority neighborhoods, to close their doors, lay off staff, and limit Medicare patients."*** *It continues,* ***"The RO Model represents a new opportunity to address health disparities in radiation therapy. Unfortunately, the proposed combined payment cuts undermine the promise of the RO Model and the chance to improve health equity,"*** *and that, "Finalizing these proposed CMS rules would undermine the Administration's ongoing efforts to eradicate cancer, and disproportionally impact vulnerable communities that already face poor access to cancer screening and care." Read letter here.*

# Zip Codes Where Radiation Therapy Clinics are Required to Participate in the RO Model

## CMS is Expected to Expand The Model After 5 Years



Created by Nikhil Thaker, MD

Most Radiation Oncology Clinics Are Financial Losers Under the RO Model

Hospital Technical Component Providers Cut More Relative to Fee-for-Service

| APM v FFS Impact (PY1-5) | PC Providers | TC Providers |
|---|---|---|
| < - 20% | 0.0% | 0.0% |
| -20% to < -10% | 0.8% | 22.7% |
| -10% to < -5% | 12.1% | 45.4% |
| -5% to < -1% | 39.7% | 1.4% |
| -1% to < +1% | 25.9% | 0.8% |
| +1% to < +5% | 19.0% | 10.9% |
| +5% to < +10% | 1.9% | 16.5% |
| +10% to < +20% | 0.3% | 2.2% |
| => +20% | 0.2% | 0.1% |