

# Cancer patients may be unintended victims of budget cuts

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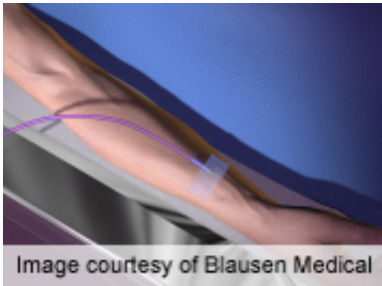


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Clinics nationwide say they can't afford to give as much chemotherapy as before, report says.

(HealthDay)—Thousands of Medicare cancer patients are being denied treatment at clinics nationwide because of federal budget cuts related to the so-called sequester, according to a published report.

The mandated cuts took effect April 1, and cancer clinic administrators say they can no longer afford to provide expensive [chemotherapy drugs](#) to many [Medicare patients](#), the *Washington Post* reported Wednesday. Medicare is the federal [health insurance program](#) for people 65 and older and certain others with disabilities.

After an emergency meeting Tuesday, one clinic administrator—Jeff Vacirca, chief executive of North Shore Hematology Oncology Associates in New York—told the *Post* that one-third of the group's 16,000 Medicare patients would be turned away.

"It's a choice between seeing these patients and staying in business," Vacirca told the newspaper. "The drugs we're going to lose money on we're not going to administer right now."

Hospitals, which also provide chemotherapy treatment, may offer an alternative, but it's not clear if they can accommodate the additional patients. Hospitals are also likely to charge more

for treatment, and some of those extra costs will likely be borne by patients, said experts cited by the newspaper.

In terms of patients, the numbers are significant. Two-thirds of Medicare patients receive treatment in a community oncology clinic, rather than a hospital, according to a study by the Milliman actuarial firm, the *Post* reported.

This payment crunch is an unintended consequence of the sequester, some health care experts say. Congress limited Medicare to a 2 percent reduction—less than that faced by other [government programs](#)—but coverage of [cancer drugs](#) falls into a tricky area because they must be administered by a doctor. That puts them into the Medicare Part B category, which falls under the sequester cut, the *Post* reported.

"I don't think there was an intention to disrupt care or move it into a more expensive setting," said Cathy Schoen, senior vice president of the Commonwealth Fund, which works to promote a high-performing health-care system that achieves better access, improved quality and greater efficiency. "If that's the case, we're being penny-wise and a pound-foolish with these cuts," she told the *Post*.

Under current regulations, clinic oncologists receive federal reimbursement for the average price of cancer drugs, plus 6 percent for handling and administering them. Because doctors can't raise the drug price, the 2 percent cut has to come out of the 6 percent handling fee, they explained.

Some clinic administrators have urged lawmakers to shield cancer drugs from the sequester cuts, or put a 2 percent cap on reductions from their administrative reimbursement, the newspaper reported.

"We're hoping that something will change, as

legislators see the impact of this," said Dr. Ralph Boccia, director of the Center for Cancer and Blood Disorders in Bethesda, Md.

**More information:** The American Cancer Society has more about [chemotherapy](#).

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