

## **Report on oncology services provided to Medicare beneficiaries**

**ISSUE:** How have changes in the way Medicare pays for physician-administered drugs and drug administration services affected physician practices and access to services for Medicare beneficiaries receiving chemotherapy?

**KEY POINTS:** The Medicare Prescription Drug, Improvement, and Modernization Act (MMA) changed the way Medicare pays for physician-administered drugs and drug administration services. The Congress directed MedPAC to evaluate the effect of these changes on quality of care, beneficiary access, and physician practices in different areas of the country and different practice sizes. The first report, due January 1, 2006, focuses on services provided by oncologists. The second report, due January 1, 2007, focuses on drug administration services provided by other specialties.

For our report we analyzed claims data and drug pricing data. We visited sites in five states and metropolitan areas from 2004 to 2005 to meet with oncologists. In physician offices, we met with oncologists, oncology nurses, practice administrators, and pharmacists. In addition, we met with relevant personnel in community hospitals, university hospitals, and cancer hospitals. We also met with representatives from local health plans.

At this meeting, staff will present draft recommendations.

**ACTION:** Commissioners should discuss and vote on policy recommendations.

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