



The US Oncology Network Issues Statement Opposing Most Favored Nation Model

Today, The US Oncology Network issued the following statement:

WASHINGTON, DC – The US Oncology Network – one of the nation's largest and most innovative networks of community-based oncology physicians – has deep concerns with the Trump Administration's announced "most favored nation" (MFN) payment model for Medicare Part B drugs. The mandatory seven-year MFN model, scheduled to take effect in just over a month, without any opportunity for meaningful public comment, could fundamentally impact patient access to anti-cancer drugs while putting additional burdens on community providers. As finalized, the MFN model will impact virtually all community oncology providers as over half of the MFN model drugs are used in the treatment of cancer – many of which have no equivalent alternative available.

"Efforts to reduce drug spending are laudable but a mandatory program encompassing 100% of the country and disproportionately targeting oncology treatments is not a test, by any definition. Even more egregious, CMS' own actuaries actually predict that patients will lose access to treatment under this model," said Dr. Lucy Langer, Chair of The Network's National Policy Board.

At the core of this model, oncologists may be forced to pay more for drugs than the Medicare reimbursement they receive. This dangerous approach will force providers to decide between withholding the standard of care or accepting unsustainable financial losses for these "underwater" drugs.

The Network also has serious reservations about the model's alternative add-on payment for physicians. According to CMS' own estimate, the model will not "keep providers whole" as previously promised by HHS Secretary Alex Azar. In fact, the negative financial impact of the model on cancer providers will likely exacerbate consolidation trends amongst community oncology practices, either eliminating access or pushing patients into more costly settings of care. This reckless move comes at a time when cancer treatments have already dropped drastically, and all healthcare providers are being stretched thin due to the COVID-19 pandemic.

The Network has long expressed concerns with proposals to tie US drug prices to prices abroad, including the 2018 International Pricing Index (IPI) model. While appreciative that the MFN model does not include a third-party vendor as proposed in the IPI model, The Network remains concerned that linking the cost of Part B drugs to artificial price controls will limit patient access to current and future therapies while jeopardizing community practices. Implementing this flawed model without going through the requisite notice and comment period appears to violate both the administrative process and CMMI's authority.

“Doing so amidst the ongoing COVID-19 pandemic only heightens these concerns and is frankly irresponsible,” said Dr. Langer.

The Network welcomes the opportunity to work collaboratively with Medicare officials and other stakeholders to implement Part B reforms in a way that does not harm physician practices or the patients they serve. Until then, The Network must oppose this rule.

To download The Network's full statement, [CLICK HERE](#).