

United States Senate

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June 29, 2004

The Honorable Mark A McClellan, M.D., Ph.D.
Administrator
Centers for Medicare and Medicaid Services
Department of Health and Human Services
2000 Independence Avenue, SW
Washington, D.C. 20201

Dear Administrator McClellan:

I am writing in regard to the Medicare Modernization Act, and changes to Medicare's system for paying for chemotherapy drugs and administration services. Under these changes, the reimbursement rates for 2004 will balance out. However, it appears that reimbursement rates for 2005 will not fully compensate for the cost of drugs and services to those who treat cancer patients.

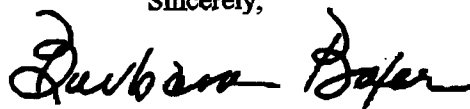
The proposed reimbursement system is completely new and untested. Those who treat cancer patients have no way of estimating what the total reimbursement will be for 2005. Nonetheless, the system will become effective on January 1, 2005. Many cancer care providers have laid off staff in anticipation of these changes, and are afraid that they may have to lay off more.

I urge the Centers for Medicare and Medicaid Services (CMS) to release the data on the average sales price of chemotherapy drugs as soon as possible. By doing so, cancer care providers can estimate the payment rates for 2005, and the impact that the new rates will have on their services.

Cancer is the number two killer in the United States. We need to ensure that cancer care providers have the information they need to provide quality care to cancer patients, so that we can continue the fight against this deadly disease.

I look forward to your prompt response to this letter. In advance, I thank you for your attention to this important matter.

Sincerely,



Barbara Boxer
United States Senator

BB:jbt

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