An open letter to cancer patients

If you are covered by Blue Cross Blue Shield commercial insurance you might hear that the process of delivering your intravenous medicines is changing or, in the case of Tenn Care, is being discussed for change.

Why? According to some news articles, Blue Cross Blue Shield of Tennessee claims that physician offices are responsible for “markups of 100% or more” to these very expensive but very important treatments.

This is false.

Prices are set by drug manufacturers, not doctor’s offices. Any markup or cost billed to insurance companies covers the administration of the drug to the patient and is usually agreed in advance between doctors and insurance companies. These costs are typically less than 20% of the cost of an expensive drug.

The proposed process and billing change gives insurance companies more control over the medication supply chain and associated profits, which might not be in your best interests. Some patients will, indeed, experience impact in their care.

This unilateral process change implemented by BCBS of Tennessee establishes a separate supply and billing process, different from the process used for patients covered by other insurance and Medicare. Typically, physician practices purchase expensive cancer treatments and medicines that must be stored, mixed and handled appropriately. As of January 1, 2020, Blue Cross Blue Shield of TN has decided - with no input from physicians, patients or any provider facilities - to establish specialty pharmacies in the insurance network. These pharmacies will now buy medications from wholesalers and deliver them to physician offices just in time for administration to patients for their chemotherapy. Mixing and preparation of the medications will still be performed by doctors’ offices.

Sounds simple. Actually, ask a cancer patient how predictable their doctor visits are…and are not.
If you are a cancer patient receiving chemotherapy, you often have to reschedule your infusion at the last minute for safety reasons. Typically, your doctor’s office easily can keep the inventory for the next visit at no additional cost.

If you are covered under the new policy for BCBS of Tennessee, your medicine will already be designated, delivered and billed when arrive at your doctor’s office, but before lab work is performed.

What does this mean? Simply, that medicine must be used or discarded within a window of time. Yes, it’s wasted, but it’s now billed to a patient who didn’t receive it.

Does the patient with cancer save any money or do the savings go to the insurance company and its pharmacy benefits manager? What if you qualify for free or discounted treatments while your medicines are obtained from the doctor’s office through a medical benefit? You may no longer be able receive these same treatments if an in-network pharmacy contract prohibits discounts or free medicines.

We thank the members of the Tennessee General Legislature who are working with physicians to understand this sudden change in benefits for cancer patients. The Tennessee Oncology Practice Society (TOPS) stands with these legislators willing to work to reduce the cost of care to patients, but this unilateral approach that impacts patient care is harmful and betrays trust.

The member physicians of Tennessee Oncology Practice Society are committed to you, our patients. It is a material lie that we would refuse to treat patients with any change in this process. Roy Vaughn of BCBST stated, “If you’re a doc, and you put your hand up and take your oath, and then you are going to say ‘I can’t see you now because I don’t get a markup.’"

The doctors of TOPS reject this scare tactic. We do, however, stand by the fact that practicing medicine from the conference and board rooms of insurance companies without input or collaboration from those charged with the responsibility and liability of patient care is irresponsible.

Tennessee patients with cancer, we stand with you. We will work to find ways to deliver the best care for the most value and will work with insurance companies to do the same. Many doctors in Tennessee participate in value-based initiatives designed to control the high cost of cancer treatment with considerable financial and professional risk. These include the Medicare Oncology Care Model and similar arrangements with commercial insurance providers. We won’t be intimidated by the power of these insurance companies who are making false claims.

On behalf of the Tennessee Oncology Practice Society
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President