



Medicare: Issue of the Day

August 23, 2004

BETTER BENEFITS – MORE CHOICES

Good News about the Medicare Prescription Drug, Improvement and Modernization Act of 2003!

CMS LAUNCHES COUNCIL TO IMPROVE TIMELY ACCESS TO NEW MEDICAL TECHNOLOGIES

Centers for Medicare & Medicaid Services Administrator Mark B. McClellan, M.D., Ph.D. announced a new effort to **ensure that Medicare beneficiaries will have timely access to new medical treatments and technologies.**

- ❖ CMS is launching the **Council on Technology and Innovation** – senior level CMS leaders and experts on clinical, coverage and payment issues – to provide the Agency with **improved methods for developing practical information about the clinical benefits of new medical technologies resulting in faster and more efficient coverage and payment** of these medical technologies
- ❖ There are many **new drugs and devices in development today** that are based on promising, but highly distinctive technologies that may have little precedent. The new **Medicare law gives us the ability to help patients get the most out of the new drugs and technology.**
- ❖ The Council on Technology and Innovation will work to **anticipate these new technologies** and create ways to make their **transition to Medicare coverage as predictable and fast as possible**. It will also provide **doctors and patients with better information about their benefits**, especially compared to other treatment options. The goal is for **beneficiaries to have access to valuable new medical innovations as quickly and efficiently as possible.**
- ❖ The CTI will support CMS efforts to develop better evidence on the **safety, effectiveness, and cost of new and approved technologies to help promote their more effective use**. As directed in Section 942(a) of the Medicare Modernization Act of 2003, the CMS **Council will address issues relating to the processes for Medicare coverage, coding, and payment for new technologies and the exchange of information on new technologies between the Agency and other entities charged with making similar considerations and decisions.**
- ❖ The Council will be organized into **two working groups**. The first working group on **Effective Innovation** will develop ways to improve the timeliness and efficiency of the coverage, coding, and payment processes.
 - Specific steps to achieve this goal include **facilitating greater stakeholder understanding** of those processes, making sure that the **processes are based on the best and latest scientific knowledge**, and creating enhanced opportunities for stakeholders to communicate with the Agency.
 - The working group on Effective Innovation will also **explore ways that the Agency can better anticipate and accommodate new technologies to assure the overall process is as orderly and timely as possible.**
 - The group will oversee work CMS has already begun, in collaboration with independent organizations, to develop the capacity for **“horizon scanning” in order to identify high value technologies and services that may benefit from earlier awareness** by CMS to facilitate timely decisions.
- ❖ The **second working group** on **Better Evidence** will help **identify priorities for Medicare-supported clinical research** on treatments for which important **questions about their effectiveness or cost persist** and

where additional or better information to answer these questions could help guide more effective decision making by doctors and patients.

- ❖ The council will also **help identify and develop study methods** for gathering reliable evidence about the risks and benefits of new and existing medical technologies that can be carried out more easily on a regular basis, such as simple protocols, registries and other study methods.
 - CMS will **support** the use of these **methods**, for example through coverage of the clinical costs of the studies, to acquire additional evidence on medical uses of new technologies where it is particularly needed.
 - ⇒ This is similar to the process recently announced around the reimbursement for FDG-PET scanning in Alzheimer's disease.

The Council will replace the existing Medicare Technology Council and will consist of members of the Agency's senior professional staff and will be co-chaired by the Director of the Center for Medicare Management, Herb Kuhn, who will be designated the Council's Executive Coordinator, and Sean Tunis, MD, the director of the Office of Clinical Standards and Quality. The council will also have dedicated staff that will report to Kuhn and Tunis.