Policy & Practice

House Passes Arthritis Bill

Landmark arthritis legislation that would establish a National Arthritis Action Program passed the House of Representatives just before it recessed for the general election. The Arthritis Prevention, Control, and Cure Act (H.R. 1283) would promote research into the control, prevention, and surveillance of arthritis and other rheumatic diseases. The legislation also would aim to increase the supply of pediatric rheumatologists in the United States by increasing the number and size of institutional training grants. Another part of the bill would create a loan repayment program in pediatric rheumatology. "The bill invests in the critical needs of those suffering from arthritis and in research that will help future generations of Americans who are diagnosed with the disease," Rep. Anna G. Eshoo (D-Calif.), sponsor of the legislation, said in a statement. A companion bill (S. 626) is pending before the Senate Committee on Health, Education, Labor, and Pensions.

Florida Files Vioxx Suit

Florida Attorney General Bill McCollum has sued Merck & Co. on behalf of state agencies he said were damaged by "the company's allegedly deceptive marketing and promotion" of Vioxx. The lawsuit follows a 3-year investigation of Merck's practices in the promotion of Vioxx (rofecoxib) and alleges that, because of the company's marketing practices, numerous Florida agencies approved the inclusion of Vioxx as a covered or approved drug. Vioxx purchases by the Florida Medicaid program exceeded $80 million between 1999 and 2004, according to McCollum, who argued that if the facts about Vioxx had been known earlier, physicians and their Medicaid patients would have chosen other, less expensive prescriptions. Eight other states have filed similar lawsuits, according to Merck spokesman Ronald Rogers, who said in an interview that Merck acted responsibly on Vioxx and will defend against the suits.

Industry Groups Protest IVIg Cuts

The Biotechnology Industry Organization, the American Society of Clinical Oncology, the Association of Community Cancer Centers, and the Alliance for Plasma Therapies are urging the Centers for Medicare and Medicaid Services to preserve the preadministration fee currently paid for administering intravenous immune globulin (IVIg) therapy in hospital outpatient settings. The CMS proposed to eliminate the payment as part of its hospital outpatient prospective payment system rule for next year, which was published in July. The preadministration payment began in 2006 at a time when IVIg supplies were tight, driving up the price. CMS officials say it's not clear that supply is still an issue, but manufacturers and patient organizations say there are still difficulties. "BIO does not believe that there is stability in the [IVIg] marketplace when over 40% of the providers cannot purchase [IVIg] at or below the Medicare payment rate," said the group in its comments. The CMS also said that it wants to cut the add-on fee because IVIg use has gone up markedly. BIO argued that increased use shows that the preadministration payment has helped providers acquire and administer the drug.

GAO: FDA Needed Broader Pool

Food and Drug Administration officials might have avoided some conflicts of interest on their scientific advisory committees by expanding recruitment efforts beyond word-of-mouth nominations, according to a report from the Government Accountability Office. The report, released last month, analyzed the recruitment and screening of FDA advisory committee members before the agency changed those processes in 2007. The FDA could have reached out beyond its usual source of experts to retired professionals, university professors, and experts in epidemiology and statistics, the GAO concluded. The evaluation was requested by members of the Senate.

Nationwide RAC Launched

The CMS has launched its national recovery audit contractor program as part of its "aggressive new steps to find and prevent waste, fraud and abuse in Medicare." The new RACs, which will be paid on a contingency fee basis, soon will begin to contact providers, the CMS said. The 3-year RAC demonstration program in California, Florida, New York, Massachusetts, South Carolina, and Arizona collected more than $900 million in overpayments, according to the agency. But the program has drawn strong criticism from physician groups, who have maintained that RAC audits were overly burdensome. In addition to implementing the RACs, the CMS said it will begin to work directly with beneficiaries to make certain that they receive the durable medical equipment or home health services for which Medicare has been billed, and that the items or services were medically necessary.

—Mary Ellen Schneider

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