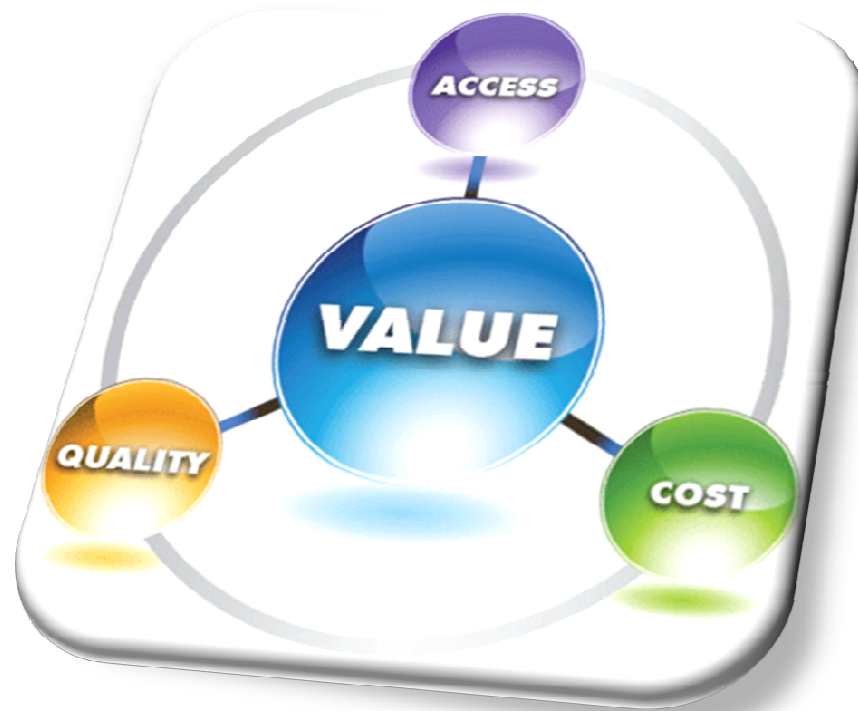


Oncology Case Rate (OCR) Payment Reform Example

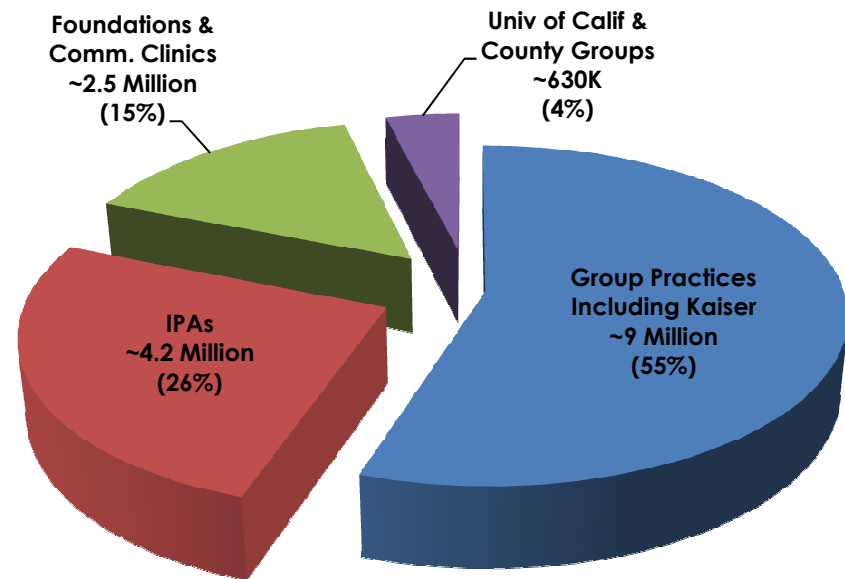


Hill Physicians Medical Group

- ❖ Independent Physician Association founded in 1984
- ❖ Provider network: 3,800 providers and consultants
 - 980 Primary Care
 - 2,260 Specialists (**170 Oncologists**)
- ❖ Service the Northern California area
 - 300,000 Members
 - 5 Regions - 9 Counties



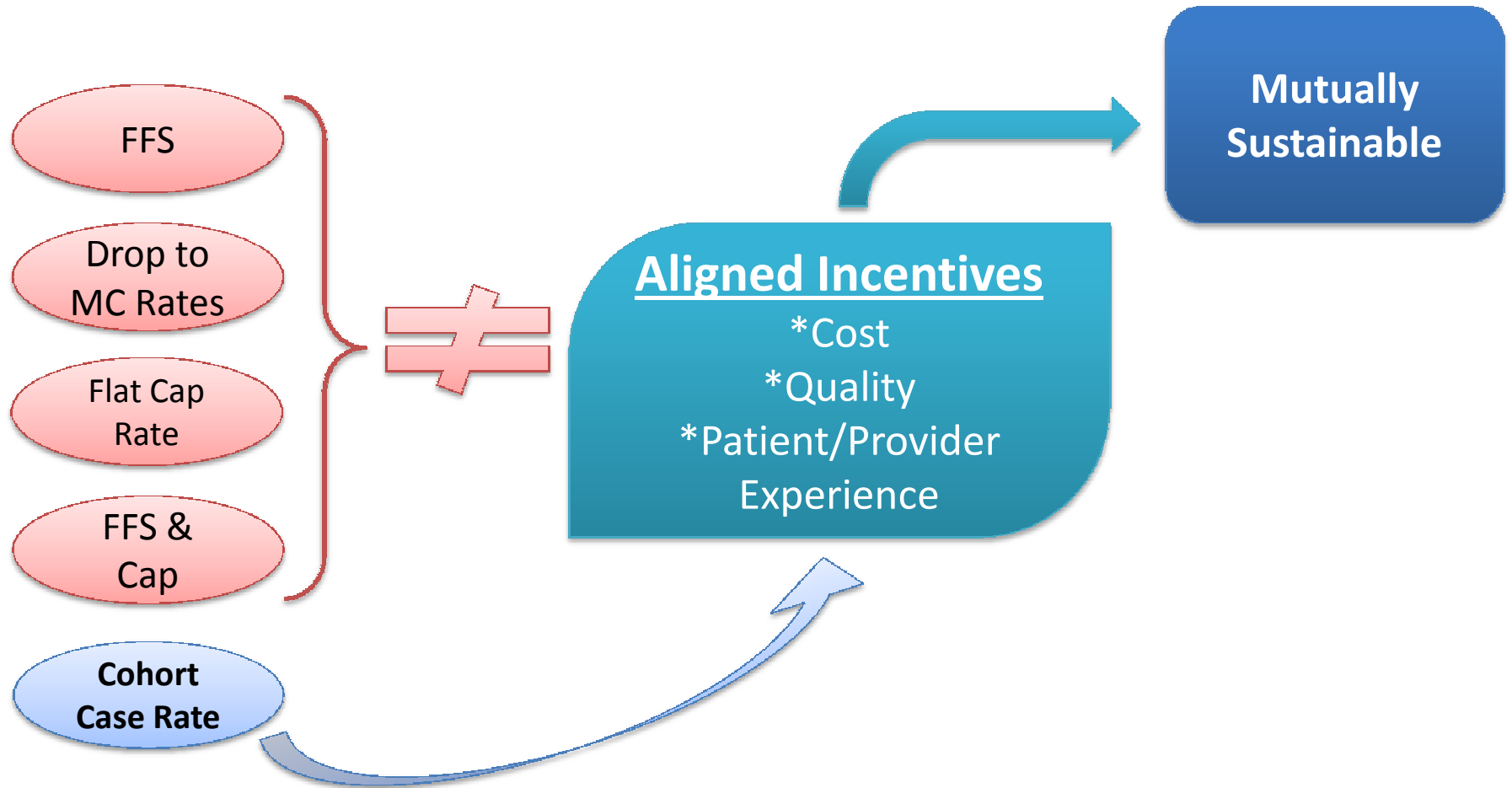
California Marketplace – 2014 HMO Enrollment



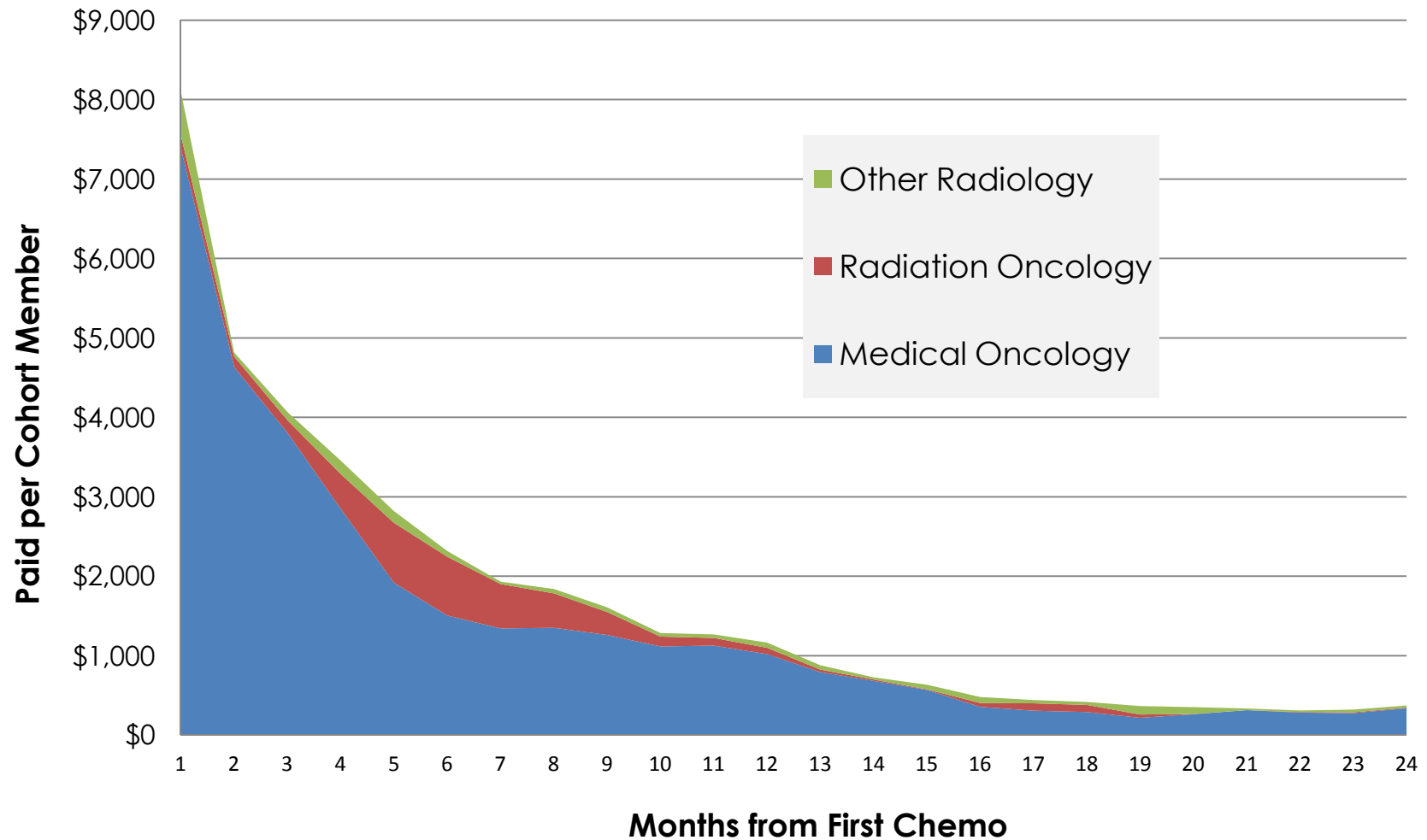
Five Necessary Goals

- ❖ Respond to financial pressures to bend the cost curve
- ❖ Demonstrate improvements in quality of care
- ❖ Demonstrate improvements in patient & provider satisfaction
- ❖ Demonstrate improvements in utilization patterns
- ❖ Measure & compare overall survival

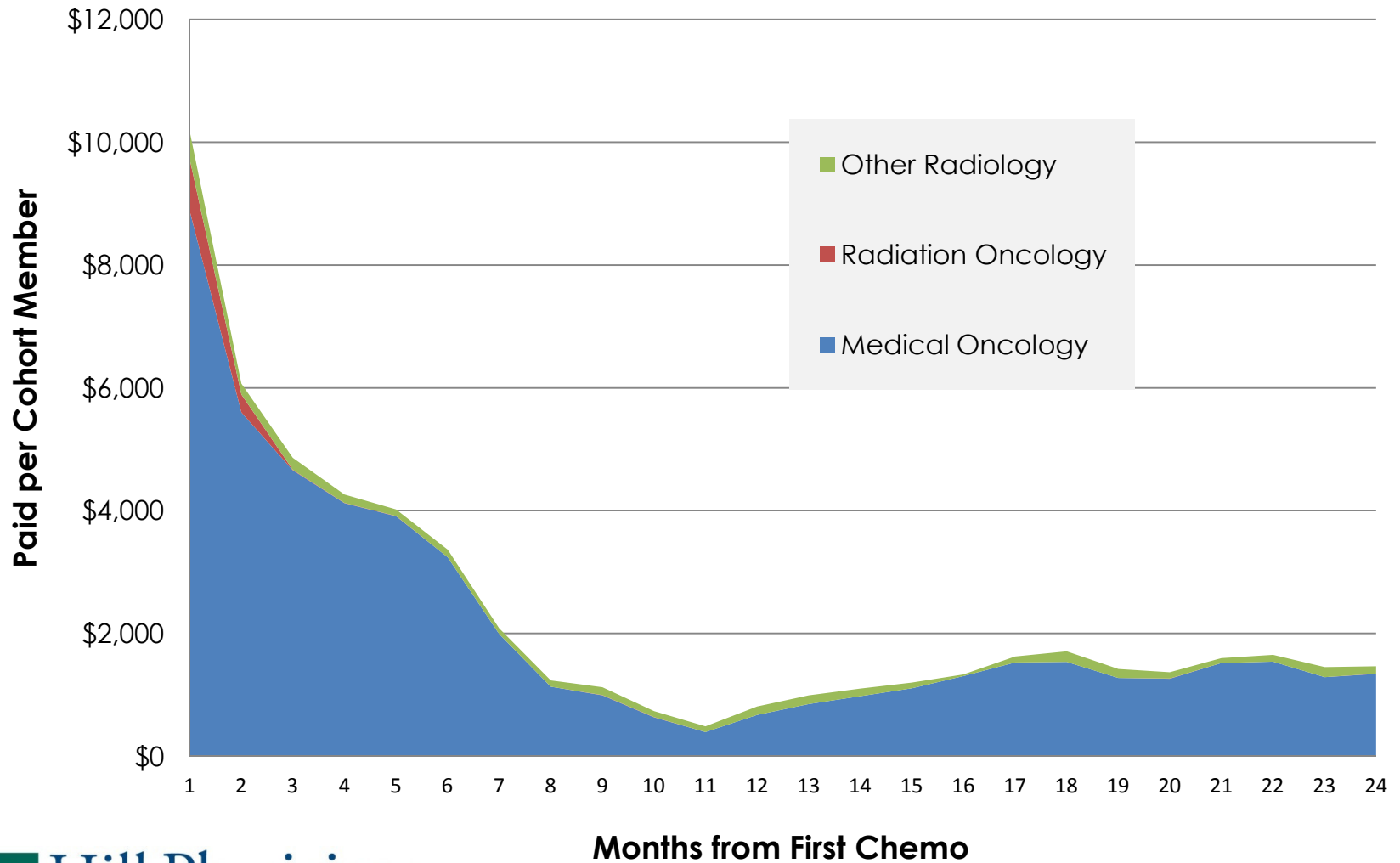
Methodologies Evaluated



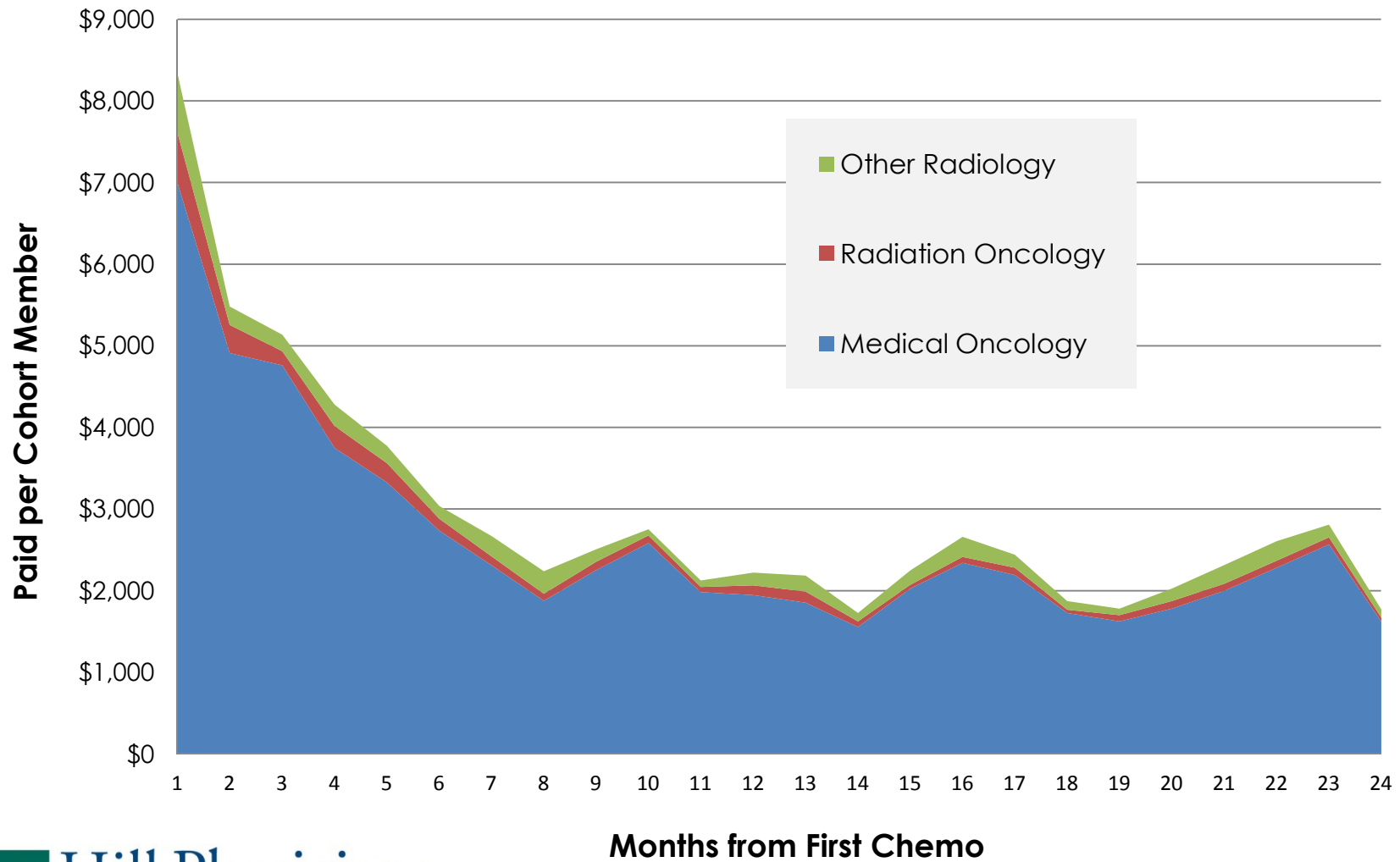
Breast Cancer



Colorectal Cancer



Lung Cancer



Oncology Case Rate (OCR) *Bundled Payment System*



Quality Management Fee Program

- ❖ Program encompasses 3 domains
- ❖ Clinical measures are subject to audit and chart reviews
- ❖ Performance dashboards are shared with oncology groups regularly

Clinical Quality Domain

- ~30 QOPI ASCO Clinical Measures
- Subject to Hill review/audit

Satisfaction Domain

- Referring Provider Satisfaction Surveys
- Patient Satisfaction Surveys

Utilization Domain

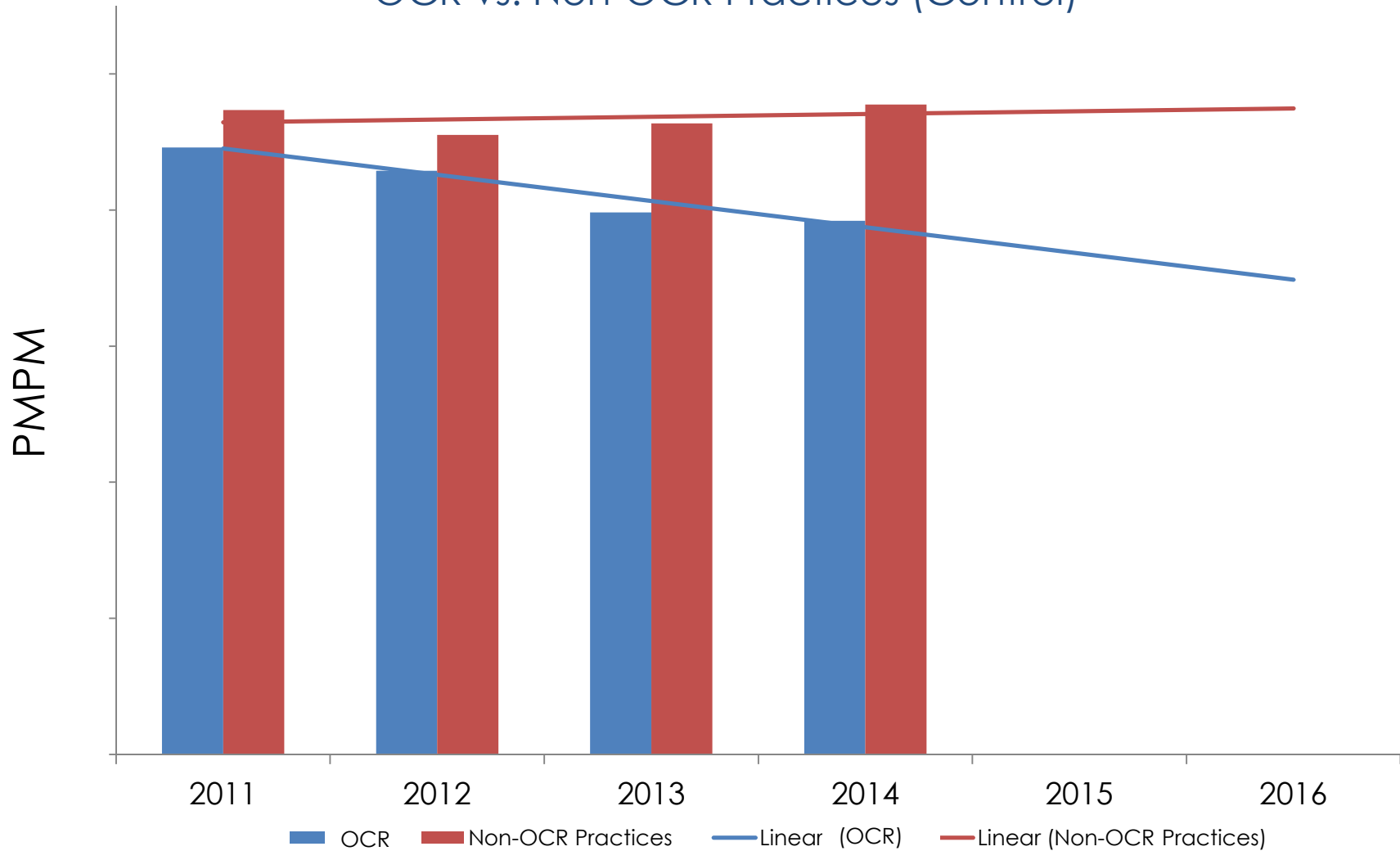
- Inpatient Bed Days
- Infusion Center Use
- Chemotherapy Initiation
- ED Visits (2014)

OCR Cancer Cohorts: Diagnosis Group by Cancer Type

Cohort	Cancer Type	Total Unique Patients, 2010-2014 YTD
1	Colon & Rectum	116
2	Lung	136
3	Breast (female)	287
4	Ovary and other Uterine Adnexa	23
5	Prostate	41
6	Malignant Neoplasm of Other/Unspecified Sites	50
7	Malignant Neoplasm of Lymph/Hema Tissue	169
8	Other Malignant Neoplasm	158
9	Diseases of Blood & Blood-Forming Origin	27
Total Unique Patients		<u>1,007</u>

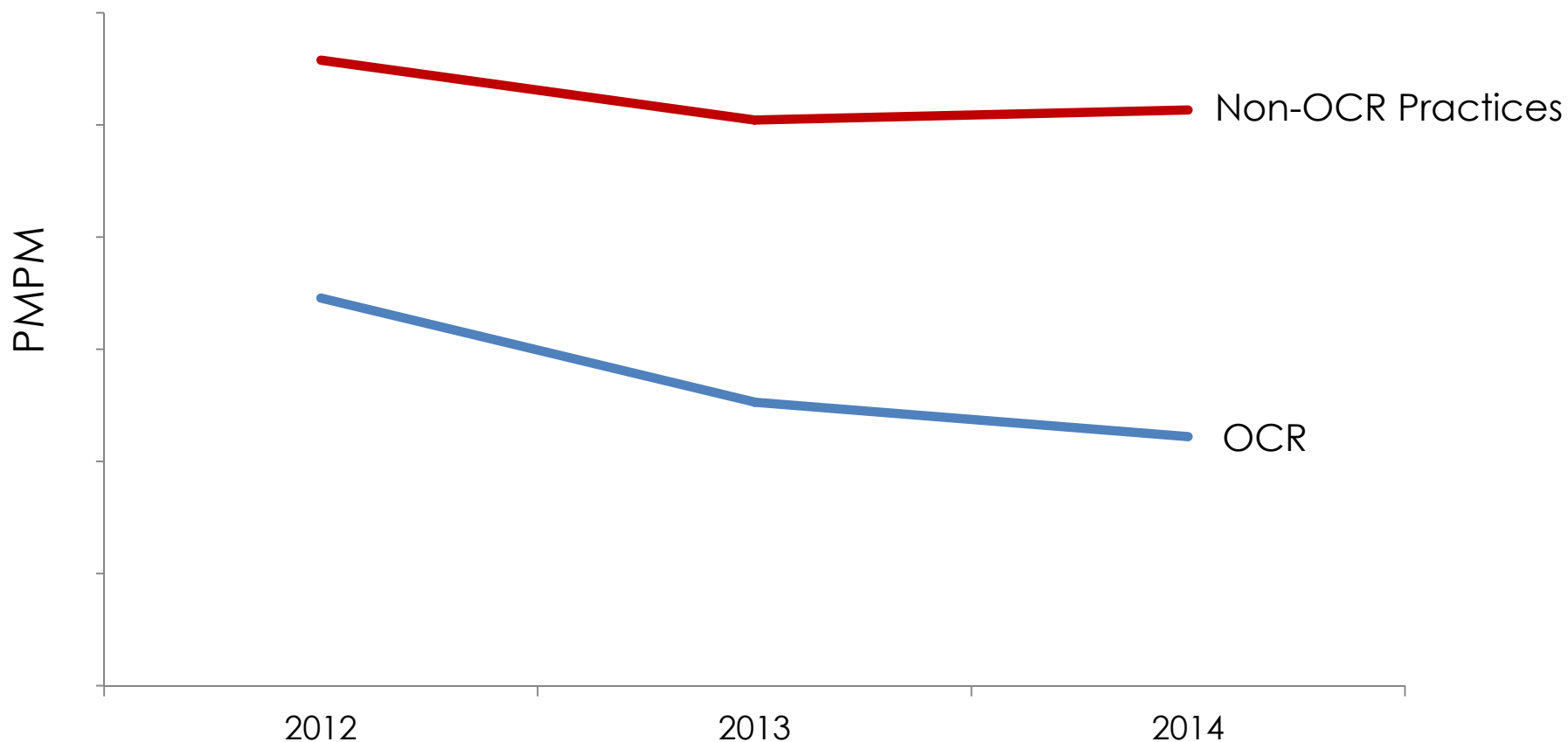
Outpatient Total Oncology PMPM Trend

OCR vs. Non-OCR Practices (Control)

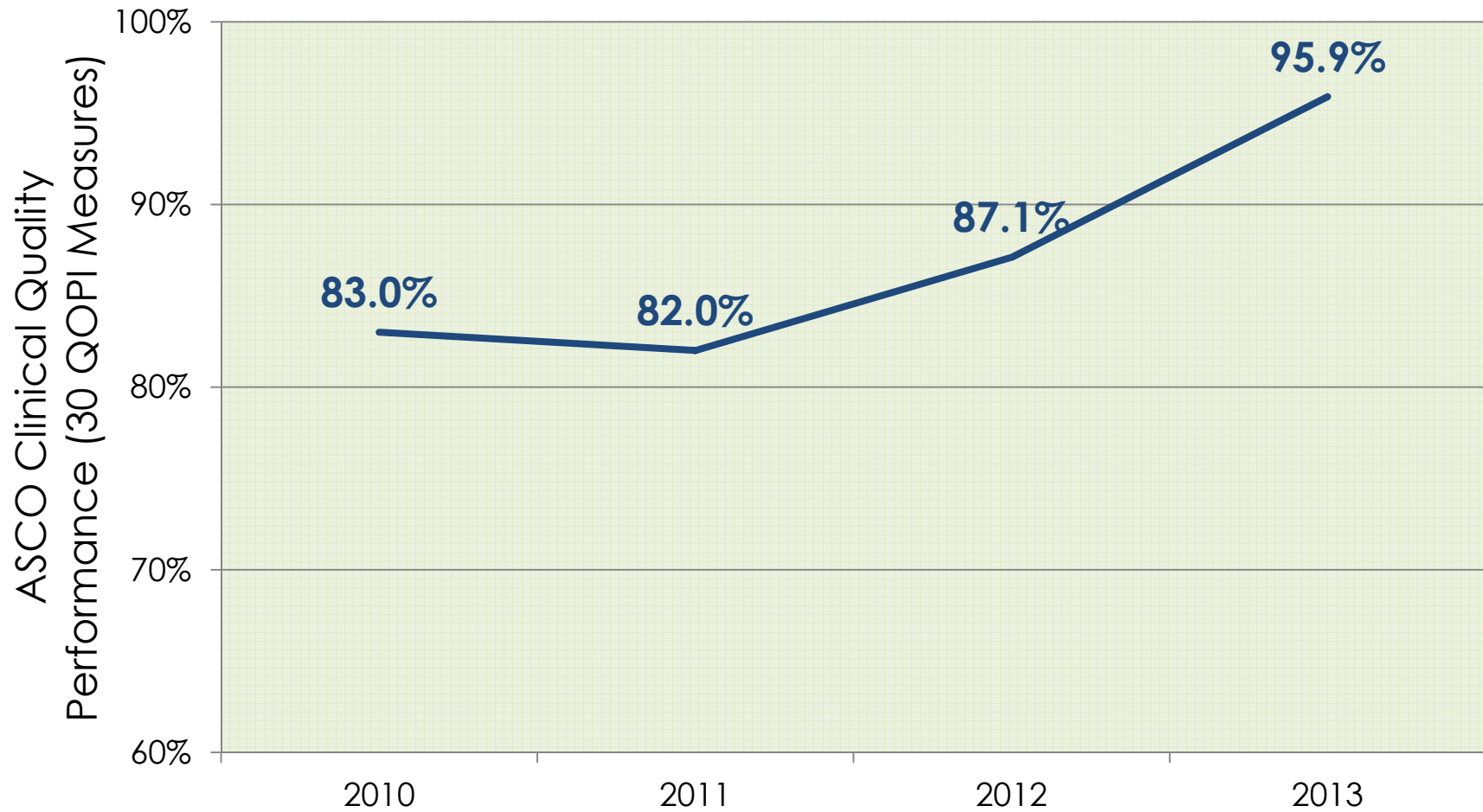


Oncology Drug Expense PMPM Trend

OCR vs. Non-OCR Practices (Control)

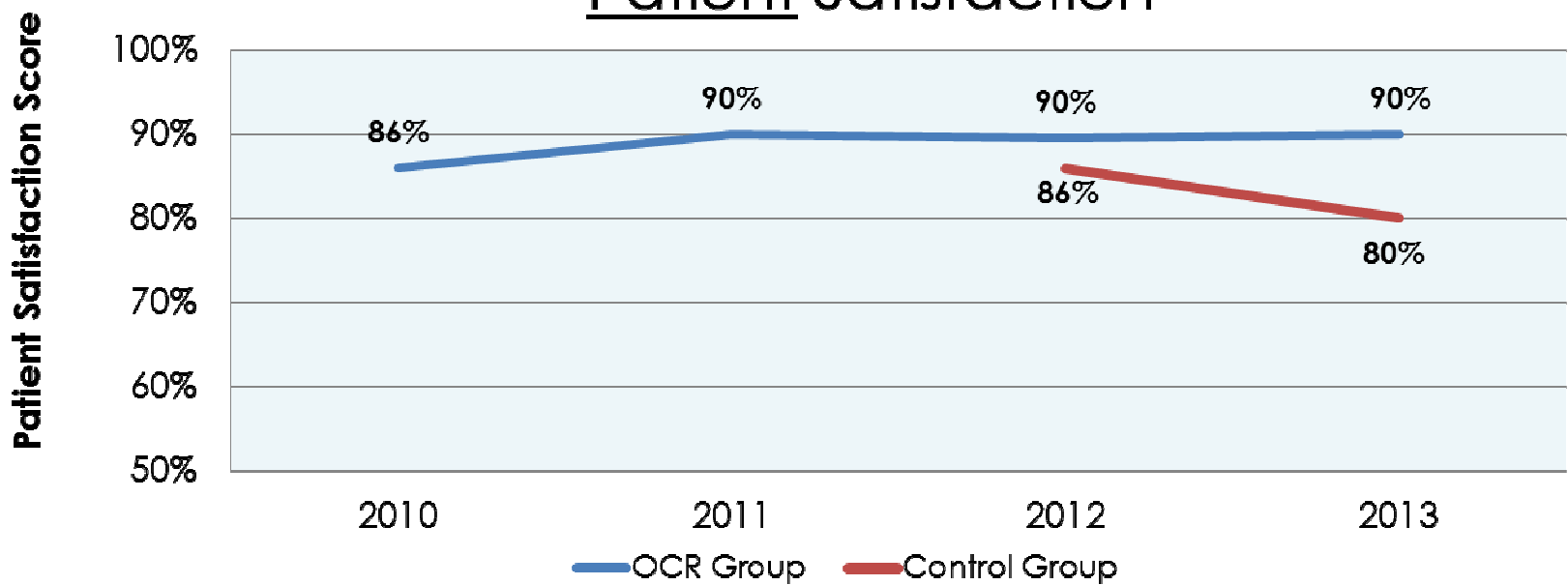


Clinical Quality of Care

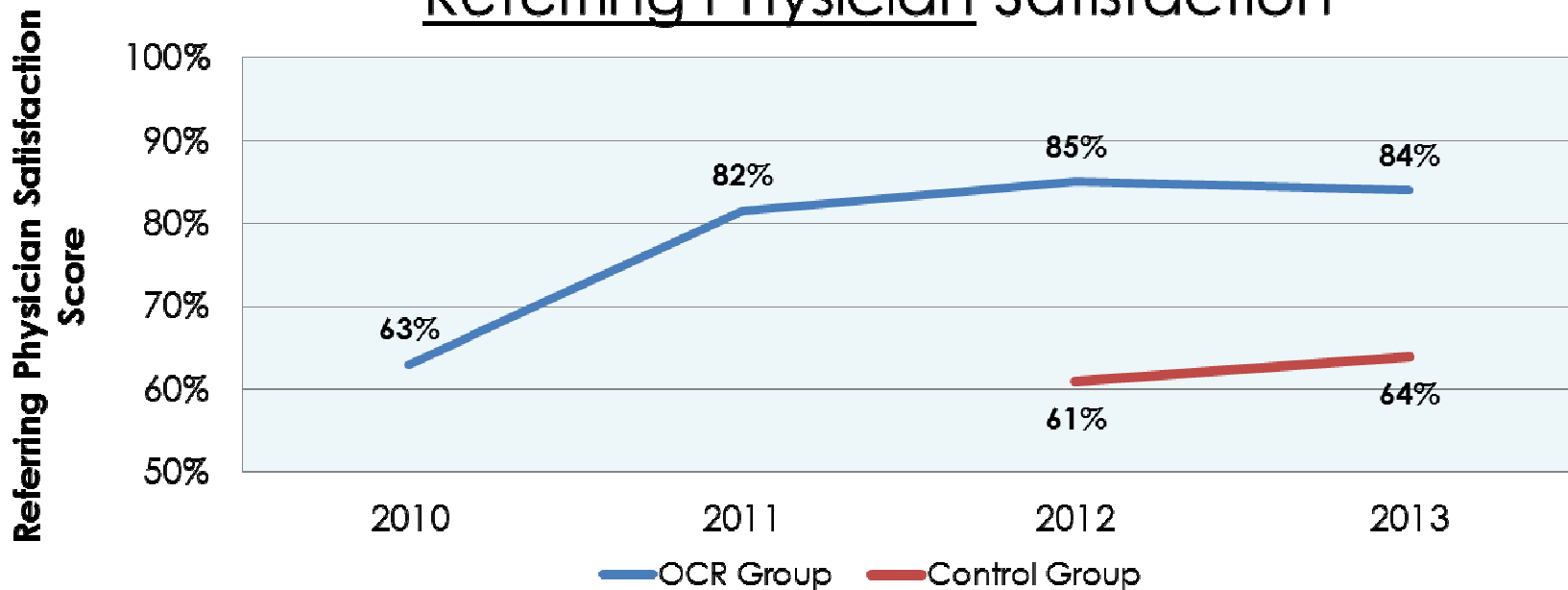


OCR Performance

Patient Satisfaction

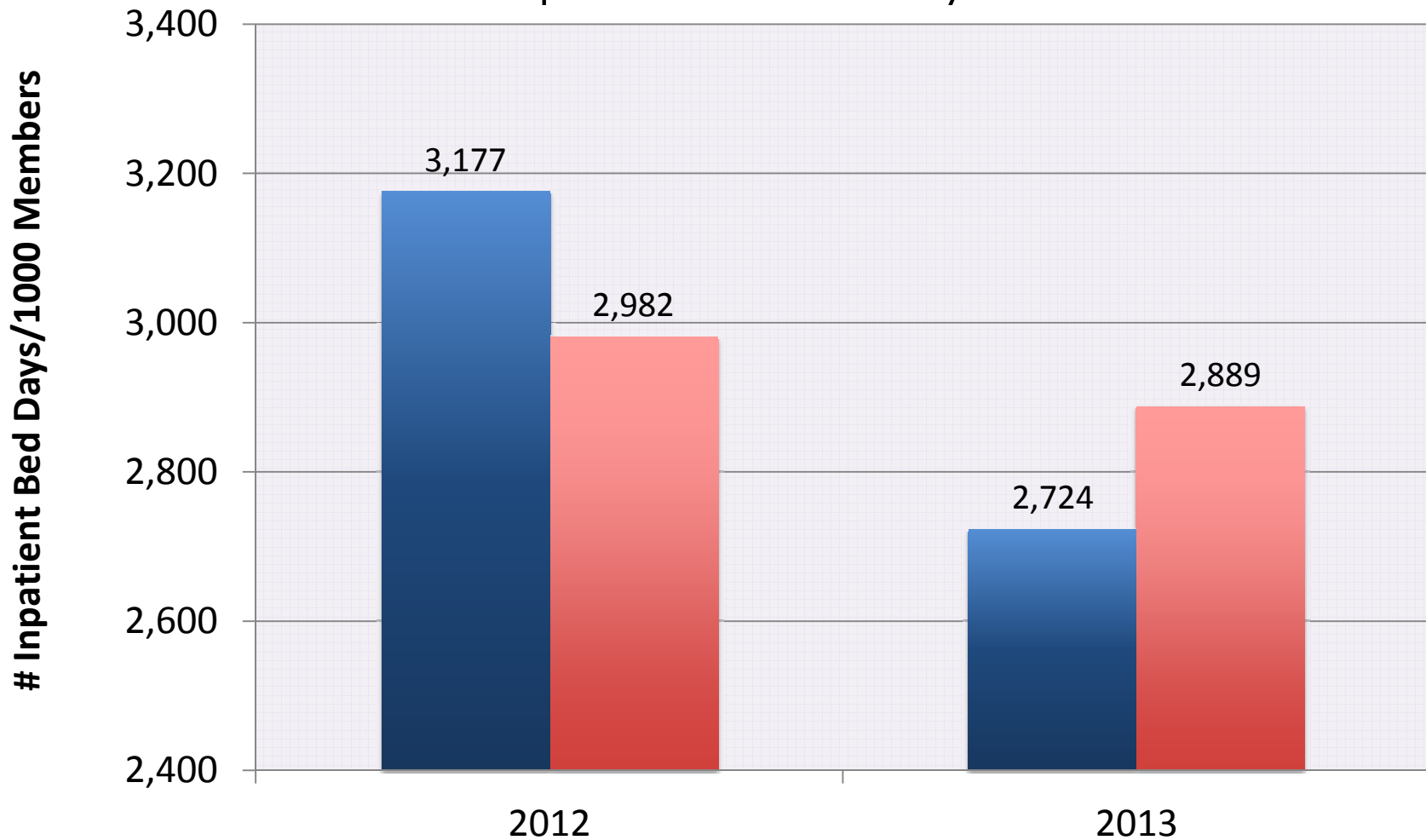


Referring Physician Satisfaction



Utilization Measure

Inpatient Bed Days

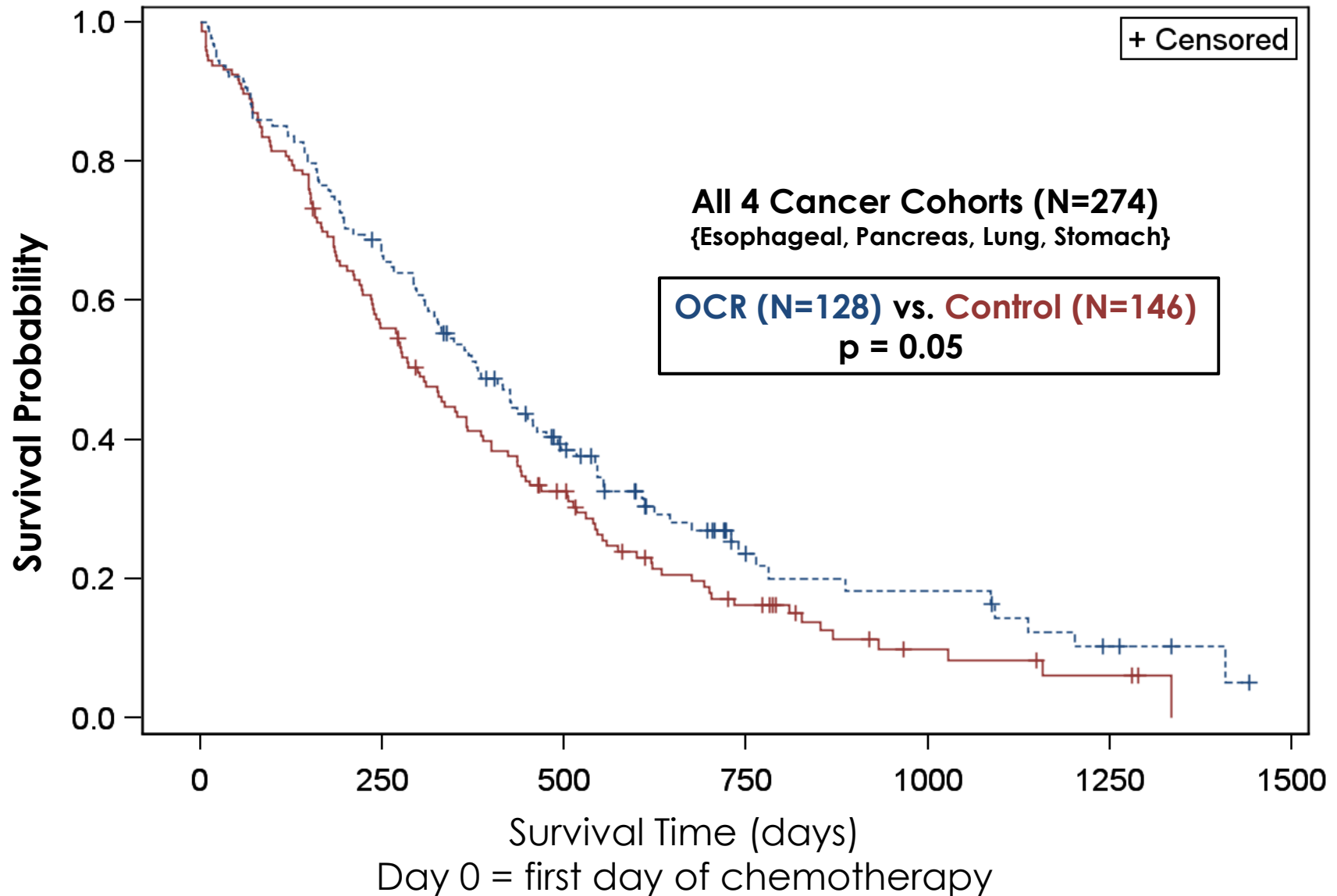


Hill Physicians
Your health. It's our mission.

■ OCR

■ Non-OCR

Overall Survival Results



Summary

- ☑ OCR practices continue to **bend the cost curve** over 4 years of program experience.
- ☑ OCR practices demonstrated year-over-year **improvements** in performance on ASCO **clinical quality** measures.
- ☑ OCR practices **out-performed** standard FFS model in **satisfaction** metrics year-over-year.
- ☑ OCR practices **out-performed** standard FFS model in **utilization** metrics year-over-year.
- ☑ OCR practices' overall survival is **non-inferior** to the **overall survival** under a standard FFS model.