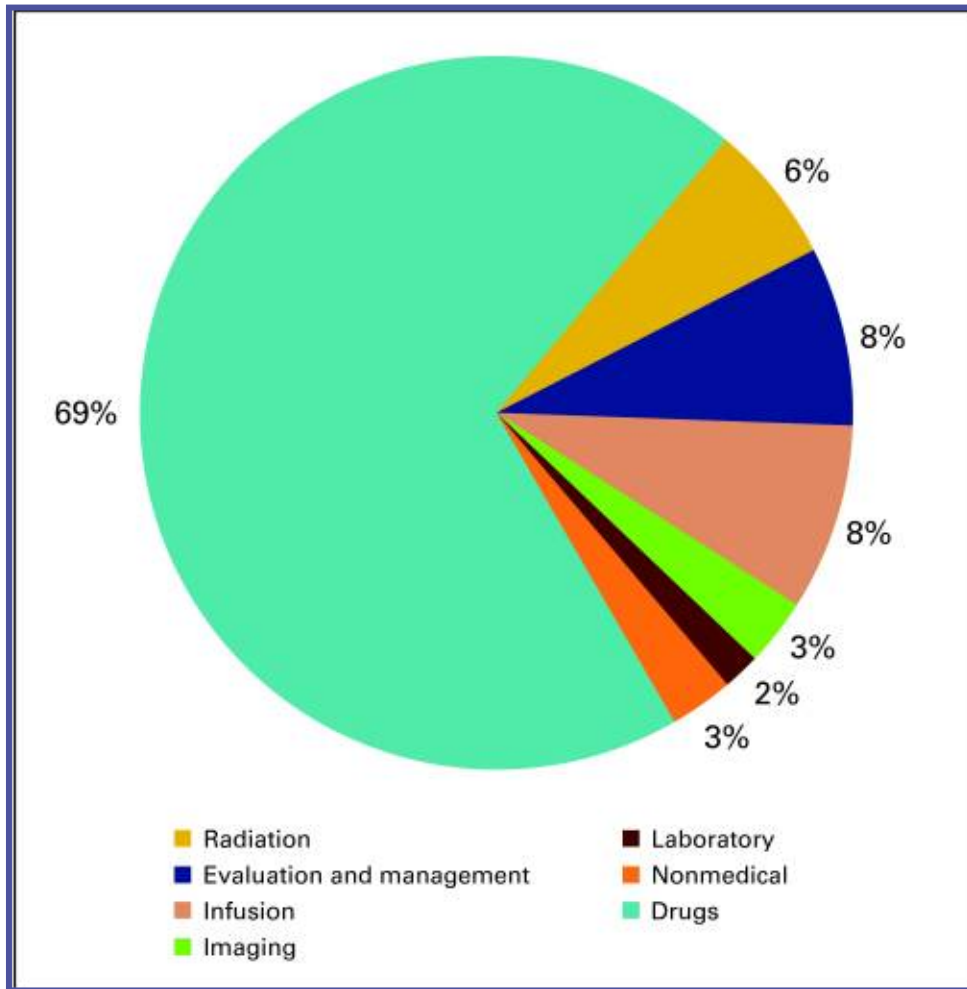


Bundled Payment and Performance Measurement for Cancer Care: The Payer's Perspective

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Oncologists paid to deliver chemotherapy



Reimbursement model must change so that focus shifts to providing cancer care that is value-based and patient-centered



Barr et al. J Oncol Pract. 2011;7: 2s-15s.

Challenges to implementation of case rate for oncology that includes drug costs

- **Rapidly changing standards of practice**
 - Quality measures lack specificity
 - 2 year lag from introduction of new therapy to implementation of QOPI measure
- **Variation in case mix across practices**
- **Impact of drugs on medical vs. pharmacy benefit**
- **14 state plans with multiple lines of business - commercial, ASO, Medicare Advantage, Medicare/Medicaid**
- **Large number of practices and providers:**
 - 4500+ in-network hematology or oncology providers
 - 6200+ in-network providers which have any oncology sub-specialty
 - Heterogeneity in practice size, number of providers and payer mix
- **Claims systems not easily configured to handle case rates – require custom solutions**

One-third of NME approvals by the FDA in 2012 were cancer related

Drug Name	Active Ingredient	Approval Date	Indication
Inlyta	axitinib	1/27/12	Renal Cell Carcinoma
Erivedge	vismodegib	1/30/12	Basal Cell Carcinoma
Perjeta	pertuzumab	6/8/12	HER2+ metastatic breast cancer
Kyprolis	carfilzomib	7/20/12	Multiple Myeloma
Zaltrap	ziv-aflibercept	8/3/12	Colorectal Cancer
Neutroval	tbo-filgrastim	8/9/12	Cancer treatment related Neutropenia
Xtandi	enzalutamide	8/31/12	Castrate-Resistant Prostate Cancer
Bosulif	bosutinib	9/4/12	Chronic Myeloid Leukemia (CML)
Choline C 11 Injection	Choline C 11	9/12/12	PET imaging agent for Prostate Cancer
Stivarga	regorafenib	9/27/12	Colorectal Cancer
Synribo	omacetaxine	10/26/12	CML
Cometriq	cabozantinib	11/29/12	Medullary Thyroid Cancer
Iclusig	ponatinib	12/14/12	CML

Source: FDA 2012 NME approval data published on <http://fda.gov>, accessed Dec 31, 2012

QOPI Measures for Adjuvant Therapy for Breast Cancer

- **Combination chemotherapy received within 4 months of diagnosis by women under 70 with AJCC stage I (T1c) to III ER/PR negative breast cancer**
- **Trastuzumab not received when Her \square 2/neu is negative or undocumented**
- **Trastuzumab received by patients with AJCC stage I (T1c) to III Her \square 2/neu positive breast cancer**
- **Tamoxifen or AI received within 1 year of diagnosis by patients with AJCC stage I (T1c) to III ER or PR positive breast cancer**

ASCO Quality Oncology Practice Initiative

http://qopi.asco.org/Documents/QOPISpring13MeasuresSummary_000.pdf

Tremendous variation in Rx cost according to disease type

Cost of Adjuvant Therapy for Breast Cancer Varies according to nodal, ER, and HER status

	Drug Cost	Duration of Infused Rx
ER+ HER2 (-) low risk	\$ 240	0 months
ER+ HER2 (-) intermediate risk	\$21,555	3 months
ER+ HER2 (-) high risk	\$22,015	6 months
HER2+	\$88,135	12 months
Triple negative	\$21,775	6 months

Oncology Medical Home Pilot

Three Key Components:

- ✓ **Treatment pathways**
- ✓ **Coordination of care & disease Management**
 - Comprehensive treatment plan and coordinate care with other specialists
 - Proactive telephone support by Oncology RNs
 - Evaluate acute events in office (when appropriate) instead of sending to ER
- ✓ **Palliative Care**
 - Ensuring *all* patients understand the goals of treatment
 - *Systematic* assessment for need for palliative care in advanced disease
 - Timely referral to hospice
 - Advanced directives communicated to all providers

Delivering patient-centered care in oncology requires re-engineering:

- IT infrastructure and decision support
- Protocols for nurse-led symptom management
- Tools to guide patient centered decision-making, symptoms assessment and need for palliative care
- Change in culture regarding palliative care
- Quality and outcome measurement
- Collaborative approach to quality improvement

How to Scale?



- **Support community oncology practices**
 - Increase chemotherapy administration fees
 - Increase practice margin on lower cost generic drugs
- **Treatment planning for episode of care**
 - Pre-authorization of an episode of care
 - Additional authorization for S-code when treatment plan is on pathway
- **Continue to develop Oncology Medical Home**
 - Develop tools and metrics to be able to scale Care Coordination and End of Life Care

Implementation of new evidence-based decision-support tool to streamline approval for episode of care

Web Portal



Practice submits request for episode of treatment via Web Portal

- Single request instead of multiple
- Direct link to Anthem medical policy and evidence-based treatment options

Decision-Support



- Compare against evidence-based recommendations
- Data on efficacy, toxicity, and cost
- Evidence-based supportive care
- Review against Anthem medical policy
- Identify regimens that are on pathway

Output



- Integrated with claims systems
- Immediate approval if consistent with Anthem medical policy
- Additional support for treatment planning when chemotherapy regimen is on pathway using S-code

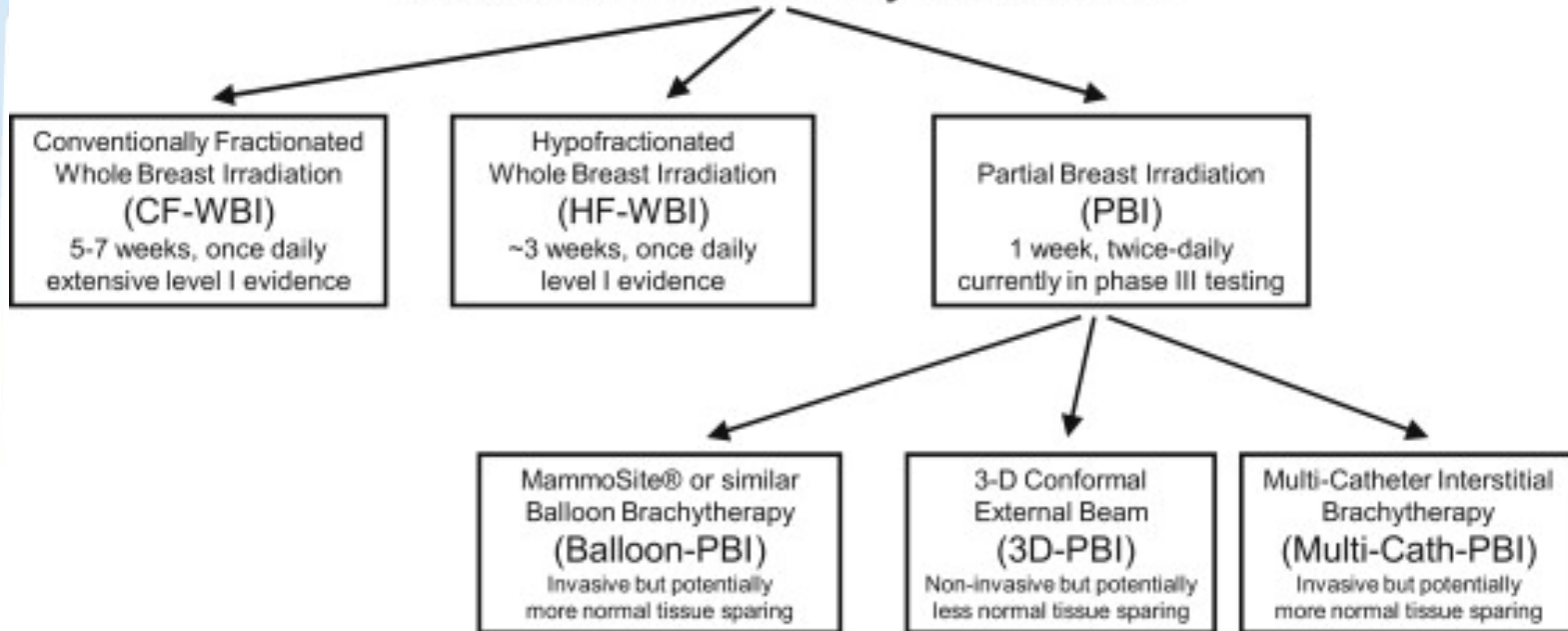
- Anticipated 2/2014 in Central region with phased implementation
- Reimbursement for S-code varied with performance on quality measures and care coordination



Episode-based payment models promising for radiation therapy

- **Advances in radiation therapy technology primarily aimed at improving side-effects and convenience**
 - IMRT
 - Brachytherapy
 - SBRT
 - Proton therapy
- **More convenient treatment schedules that are less costly have had marginal adoption**
- **Established metrics in the field for measuring radiation dose to “off target” tissues**

Methods of Radiation as a Component of Breast Conservation in Early Breast Cancer



- Women overwhelmingly prefer hypofractionated whole breast irradiation when asked:
 - 62% preferred HF-WBI
 - 28% preferred PBI
 - 10% preferred CF-WBI
- Over half of surveyed radiation oncologists **never** use HF-WBI and 40% use <1/3 time

Conclusions

Align reimbursement for value and better patient outcomes in oncology

Shift incentives to provide care for the patient not just manage the disease

Episode-based payment models and reference pricing may have application in radiation oncology, especially for commonly treated disease like breast cancer and prostate cancer



Thank you