Insuring the Future of Quality Cancer Care

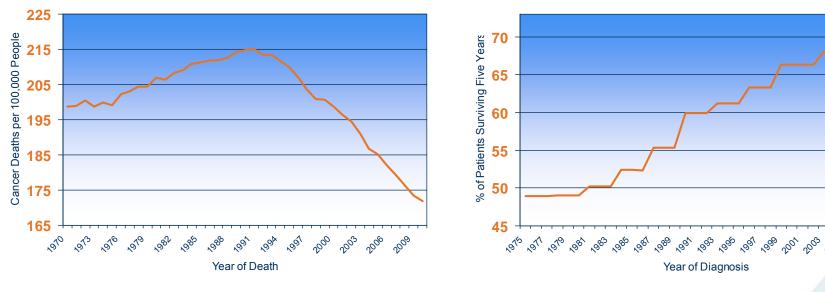
Richard L. Schilsky, MD Chief Medical Officer ASCO



Good News

Mortality

Five-Year Survival



Source: National Cancer Institute

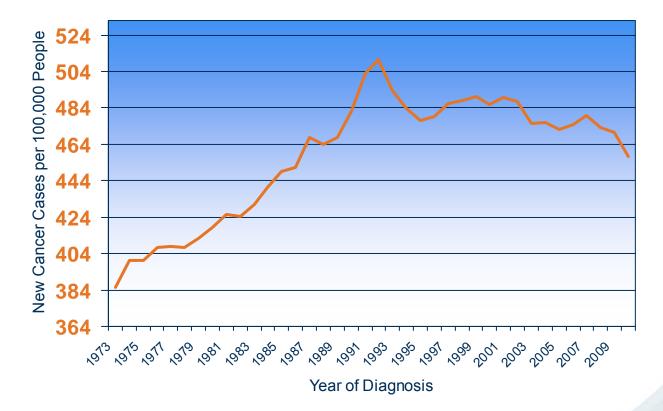
Source: National Cancer Institute

2005 2001 2009



What's Ahead

New Cancer Cases



Source: National Cancer Institute



The Big Picture



The State of Cancer Care in America: 2014

ASC

Making a world of difference in cancer care



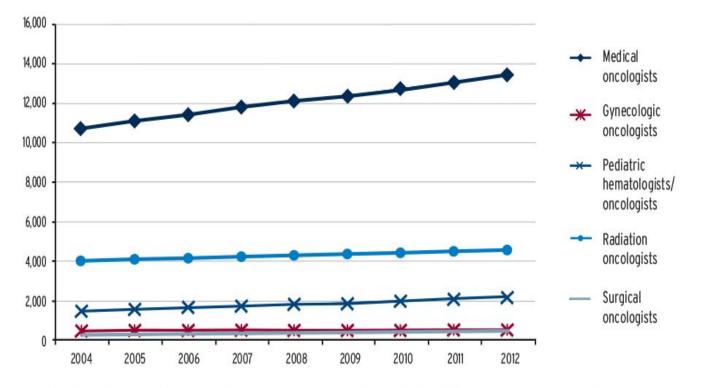
Cancer Care Challenges

- By 2025, new US cancer cases up by 42%
- ACA adds 25 million newly insured
- Cancer survivors increasing to 18 million





13,400 U.S. Medical Oncologists



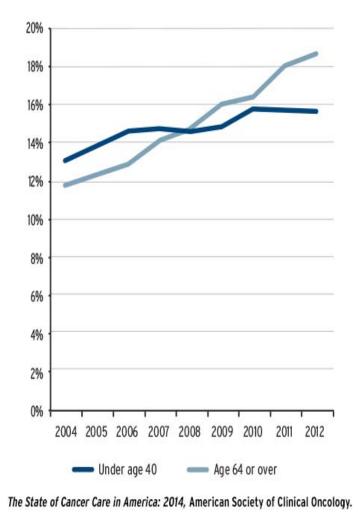
Source: AMA Masterfile; Medical oncologists includes all physicians who identify as medical oncologists, hematologists, and hematologist/oncologists.

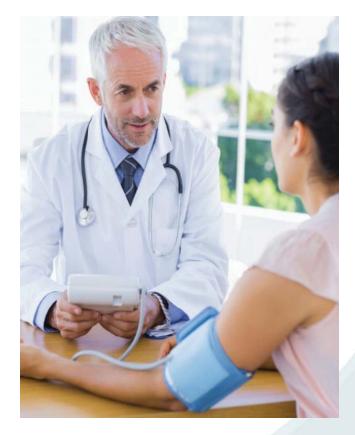
The State of Cancer Care in America: 2014, American Society of Clinical Oncology.





More Oncologists Over 64 Than Under 40







Supply-Demand Perspective

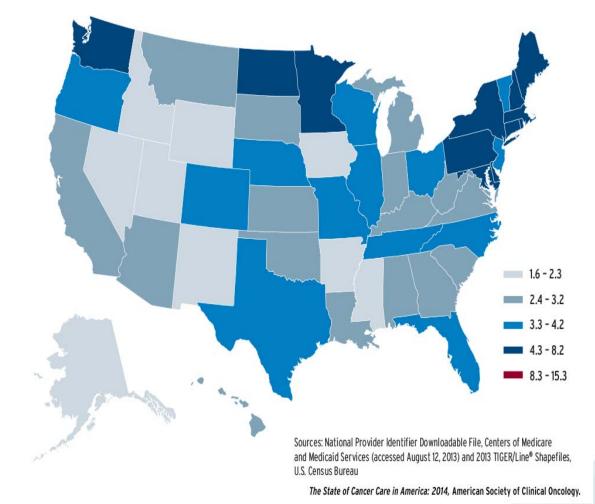
300 New Patients/per year <u>x 1,487 Oncologist Shortage</u> 446,100 New Patients Face Challenges





Geographic Challenges

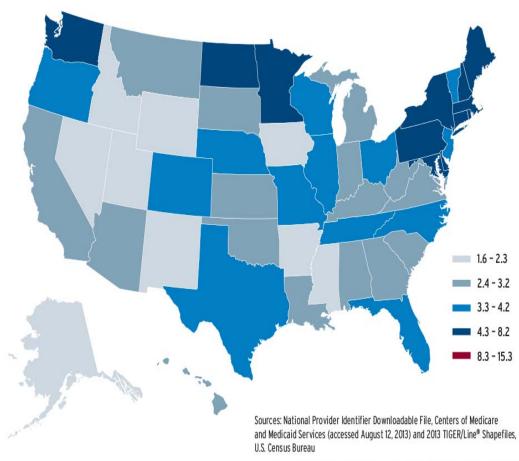
Oncologists per 100,000 Population by State





Cancer Care in Rural America

Oncologists per 100,000 Population by State



The State of Cancer Care in America: 2014, American Society of Clinical Oncology.

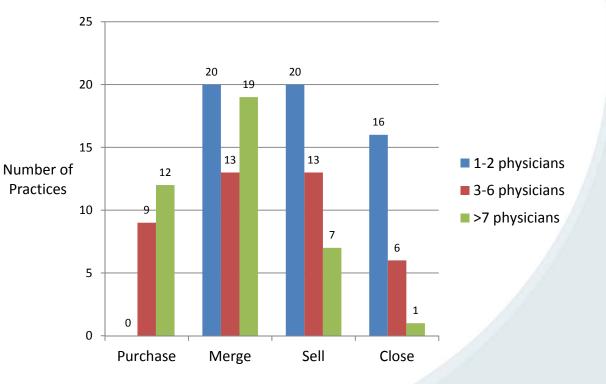
- 1 in 5 Americans live in rural areas
- 1 in 33 oncologists practice in rural areas



Community Practices At Risk

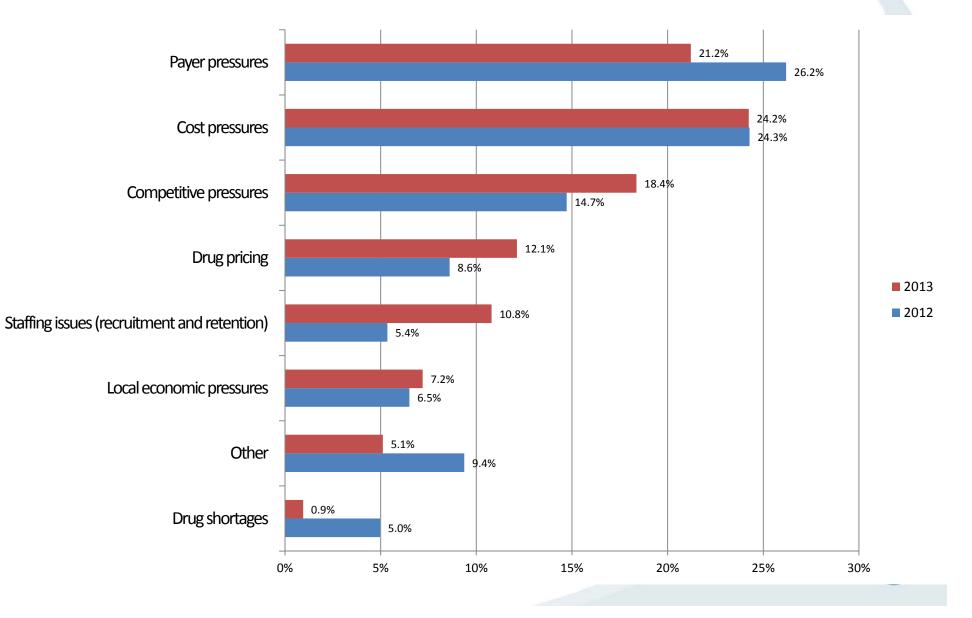
- 25% reduction in private practices since 2012 census
- 2/3 of smaller practices anticipate sale, merger or closing in next year double that reported overall
- Small, medium practices see >1/3 new patients

Likelihood of Practice Change Private Community Practice, By Practice Size





Top Concerns



Rough Waters for Practices

- Economic pressures
- Political turbulence
- General disruption across medicine
 - Sequestration
 - ICD-10
 - PQRS, Meaningful Use
 - Health Reform
 - ACOs, shifts in practice environment
 - Performance based payment
 - Wave of newly insured
 - Uncertainty





Medicare Sequestration

- 2% Medicare sequestration took effect April 2013
- Cut applied to both payments for Part B drugs and 6% services payment
- After accounting for patient copays, payment for Part B drugs decreased from ASP+6% to ASP+4.3%
- Difference in service fee: 6% 4.3% = 1.7%
- Medicare is paying 28% less on the service fee

Impact of Sequestration on Practices

Survey Findings:

- One in four: no new Medicare Advantage patients
- Half: send their Mdicare patients without supplemental insurance to hospital for chemo
- Three fourths: difficulty covering the costs of drugs
- One in five: have or are considering closing satellite/outreach clinics



HR 1416: Cancer Patient Protection Act

- Introduced April 2013
- Exempts Part B drugs from sequestration
- 123 co-sponsors
- Support in House Energy & Commerce Health Subcommittee
- No Senate bill
- Uphill battle...but we are still pursuing



Renee Ellmers (R-NC)



SGR Rollercoaster

- **Dec 2009:** Congress freezes rates for two months
- Mar 2010: CMS holds claims
- Apr 2010: CMS advises physicians to hold claims
- Jun 2010: Congress delays cut until November 30
- **Nov 2010**: Congress freezes rates for one month
- **Dec 2010:** Congress delays cut for one-year
- **Feb 2011**: Congress delays cut with 10-month patch
- Feb 2012: Congress delays cut until Jan 2013
- Jan 2013: Congress delays cut for one year
- Dec 2013: Congress delays cut until April 1, 2014
- Mar 2014: Congress delays cut until March 31, 2015

Cumulative cut now ~25%



Repeal SGR Formula

SGR Repeal and Medicare Provider Payment Modernization Act of 2014





To amend title XVIII of the Social Security Act to repeal the Medicare sustainable growth rate and improve Medicare payments for physicians and other professionals, and for other purposes.

TT.

IN THE SENATE OF THE UNITED STATES

FRBRUARY 6, 2014 Mr. BAUCUS (for himself and Mr. HATCH) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend title XVIII of the Social Security Act to repeal the Medicare sustainable growth rate and improve Medicare payments for physicians and other professionals, and for other purposes.

1 Be it enacted by the Senate and House of Representa-

2 tives of the United States of America in Congress assembled,

3 SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

- 4 (a) SHORT TITLE.—This Act may be cited as the
- "SGR Repeal and Medicare Provider Payment Moderniza-6 tion Act of 2014".
- 7 (b) TABLE OF CONTENTS.—The table of contents of

8 this Act is as follows:

^{113TH CONGRESS} **H. R. 4015**

To amend title XVIII of the Social Security Act to repeal the Medicare sustainable growth rate and improve Medicare payments for physicians and other professionals, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 6, 2014

Mr. BURGESS (for himself, Mr. UPTON, Mr. CAMP, Mr. WAXMAN, Mr. LEVIN, Mr. PTTTS, Mr. BIADY of Texas, Mr. PALLONE, Mr. MCDERMOTT, and Mr. BOUSTANY) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committees on Ways and Means and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend title XVIII of the Social Security Act to repeal the Medicare sustainable growth rate and improve Medicare payments for physicians and other professionals, and for other purposes.

- Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,

3 SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

4 (a) SHORT TITLE.—This Act may be cited as the

5 "SGR Repeal and Medicare Provider Payment Moderniza-6 tion Act of 2014".



Compromise Bill: HR 4015/S 2000 End of rollercoaster ride?

- Immediate repeal of SGR
- Annual update of .5% for five years
- Streamlines all incentive payments into new Merit-Based Incentive Payment System (MIPS)
- 5% incentive payment for physicians in Alternative Payment Models
- Encourages specialty specific Alternative Payment Models
- Credit for participation in QCDRs



Where are We Now...

- After a decade of patches to prevent SGR cuts,
 3 committees of jurisdiction reached consensus
 - Bipartisan support
 - Physician community endorsed
- Partisan disagreements about how to pay for it stalled bill
- Congress instead enacted patch until March 31, 2015



Taking Action: SGR

- Continue to work with committees in Congress
- Endorsing SGR Repeal legislation
- Partnering with other medical societies (ads and other outreach)



.....paying attention to offsets (\$120-150B)



The ASCO Policy Statement on the 340B Drug Pricing Program

- In December 2012, the State Affiliate Council brought concerns about the 340B program to the ASCO Board
- Workgroup formed representing several committees and groups at ASCO
- ASCO position paper released in April 2014



Benefits and Areas of Concern

- Essential that uninsured, under-insured, and indigent patients have access to care
- Allows institutions that truly serve the vulnerable to maintain operations

...*but*

- Program has expanded beyond original intent
- Has created an "unlevel" playing field
- Program needs reform so that resources go to the patients that need them, regardless of setting



Recommendations

1. Policymakers should focus on how to best meet the original intent of the program

 Congress & HRSA should require covered entities to provide a full, comprehensive accounting of the amount of 340B savings and the percent reinvested into care for uninsured, underinsured, and Medicaid patients on an annual basis

2. Policymakers should adopt policy changes that address the size and future growth of the 340B Drug Pricing Program.

- Congress should discard the current DSH formula, and other parameters derived from <u>inpatient</u> data, for determining eligibility for an <u>outpatient</u> program
- Replace with a formula that considers the percent of underinsured / uninsured patients treated in the outpatient setting



Recommendations Cont.

3. Issue guidance to clarify relevant definitions and provide funding for key oversight activities

- define and clarify the term "patient"
- HRSA should receive appropriate level of funding

4. Place special emphasis on any adverse impacts that the 340B program has on patient access

- Consider if recent/current expansion of the program affects
 availability of community oncology practices
- 340B program could be better targeted to truly needy patients by appropriately identifying those entities that serve such patients – regardless of site of care ASC

Consolidated Payments for Oncology Care (CPOC)

- Flexible payment
 - Patient centered
 - Better match to services we provide/patients need
- Simpler billing structure
- More predictable revenue
- Incentivize high quality, highvalue care
- Support coordinated, patientcentered care





Components of CPOC

- The Quality Oncology Practice Initiative
- A Chemotherapy Management Fee
- Value Based Pathways
- Monthly Episodes of Care/Bundled Payments
- Care coordination/ Patient centered Medical Oncology Home



Current vs. Proposed Payments

E&M (new patient) E&M (established patient) Consultations Chemotherapy administration / therapeutic injections / hydration



New patient payment Treatment month payment Transition of treatment payment Active monitoring month payment

6% of ASP+6% could be folded into treatment month payments once an alternative to buy and bill is developed and sufficiently tested.



Episode-based Payment Plan

Magnitude of Proposed Payment Components Relative to New Patient Payment		
New Patient Payment		100%
Treatment Month Payment	Level 1	25%
	Level 2	43%
	Level 3	61%
	Level 4	80%
		•
Active Monitoring Month Payment	Level 1	2%
	Level 2	10%
	Level 3	25%
	·	
Transition of Treatment Payment (in addition to Treatment Month or Active Monitoring Month Payment)	Level 1	30%
	Level 2	50%
		14
Clinical Trial Payment		5%



Continued FFS Payments

- Laboratory tests
- Bone marrow biopsies
- Portable pumps
- Blood transfusions
- (list not all inclusive)





Additional Payment Adjustments

- Quality measures phased in over time
- Pathways, two stages:
 - Adherence
 - Use of certified pathways
- Resource utilization
 - OMH
 - ER and hospital admissions
- Clinical Trials
 - Higher Treatment Month and Non-Treatment Month payments for enrolled patients





Expected Impacts

- More flexibility for practices
- Practices accountable for quality of care and costs
- Simplification: replaces 58 codes with 11 codes





Moving Forward

- Ongoing testing/refining of the model
- Seeking feedback on model from ASCO members and others in the cancer community
- Discussions with Congress and CMS

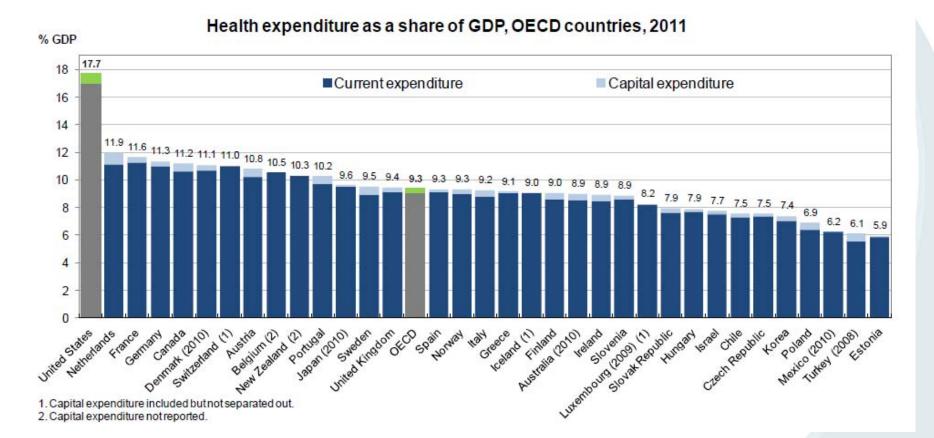


Seeking Your Feedback

More information at: www.asco.org/paymentreform



US Health Spending at 17.7% of GDP is ~50% Greater than Others (and Still Rising)



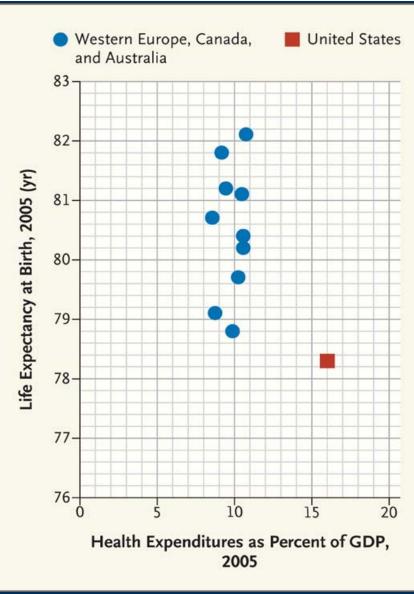
Projected US Health Spending 2020 → 20% GDP

Kehhan SP, Cuckler GI, Sisko AM, Madison AJ, Smith SD, Lizonito JM, Poisal JA and olfe CJ. National Health Expenditure Projections: Modest Annual Growth Until Coverage Expands And Economic Growth Accelerates. Health Affairs. 2012 Jul;31(7):1600-12.



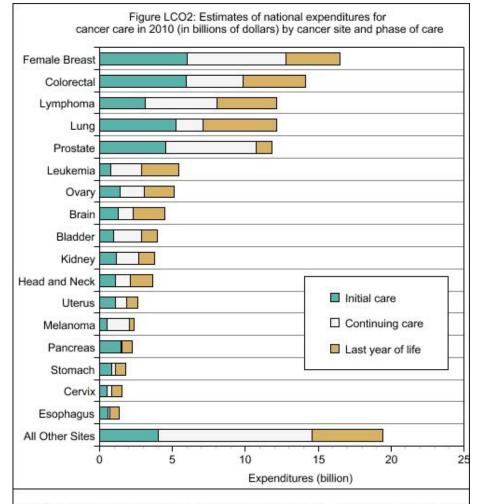
Higher Spending Does Not Increase Life Expectancy

Health Care Expenditures and Life Expectancy (2005)



Fuchs VR, Milstein A. N Engl J Med 2011;364:1985-19

Cost of Cancer Care is Rising



Source: Mariotto AB, Yabroff KR, Shao Y, Feuer EJ, Brown ML. Projections of the cost of care in the U.S.: 2010-2020. J Natl Cancer Inst 2011; 103(2):117-28.

Cancer Prevalence and Cost of Care Projections: http://costprojections.cancer.gov/

Cost estimates expressed in 2010 dollars using CMS cost adjusters and adjusted for out- of pocket expenditures, including co-payments and deductibles.

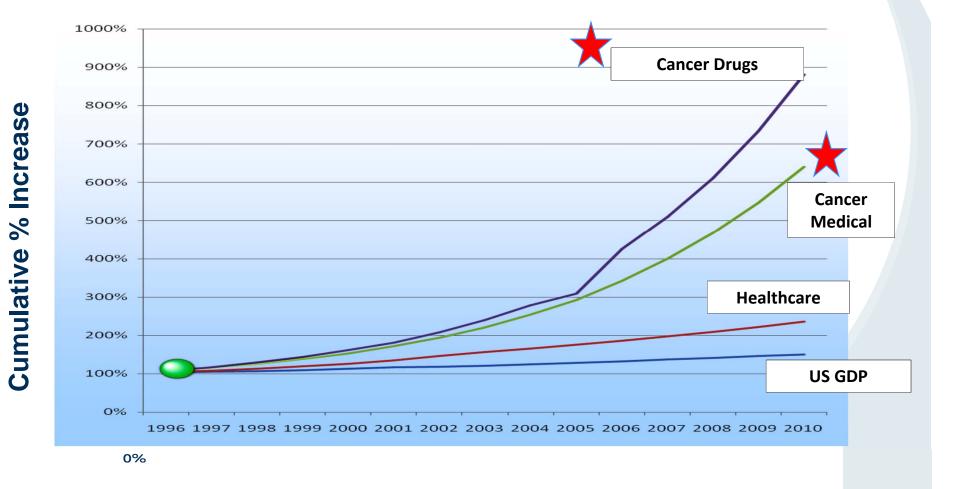
Estimates for the population younger than 65 were developed using ratios of cost in the you than 65 and older 65 populations from studies conducted in managed care populations.

\rightarrow \$125 billion in **2010**

\rightarrow \$175 billion in **2020**

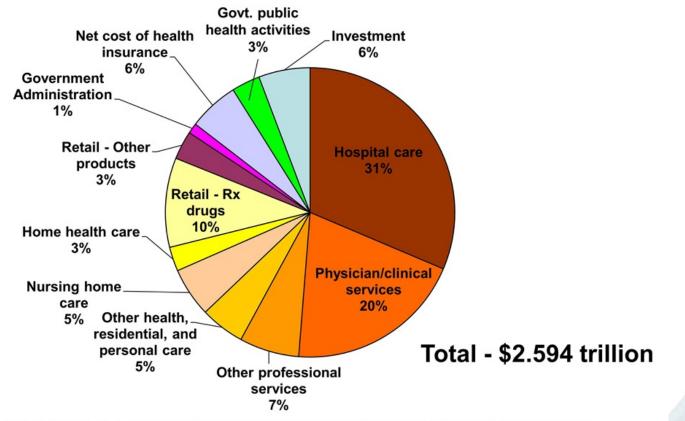


Cancer Care Costs Rising Faster than Overall Healthcare



Source: Blue Cross Blue Shield Association

National Health Expenditures, 2010



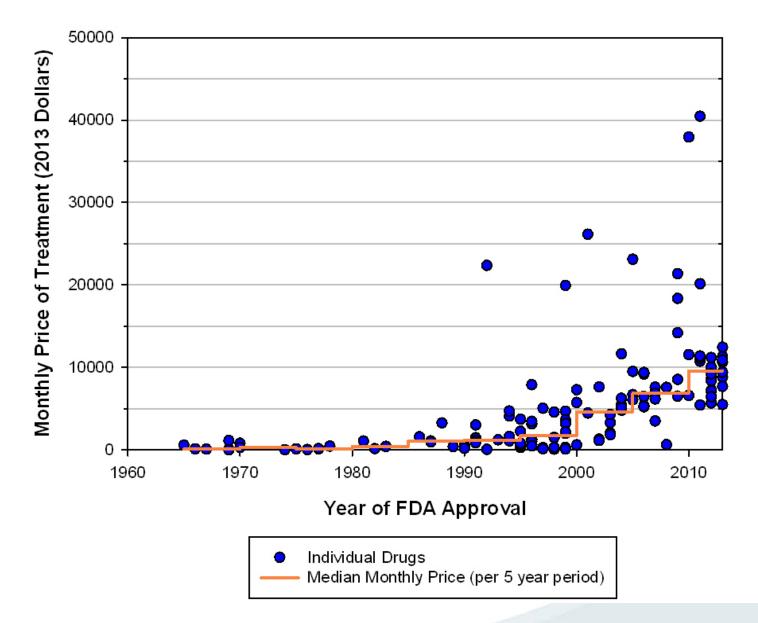
Source: Martin A.B. et. al., "Growth In US Health Spending Remained Slow in 2010; Health Share of Gross Domestic Product Was Unchanged from 2009," *Health Affairs*, 2012.

Hospitals and Providers a large fraction



Monthly and Median Costs of Cancer Drugs at the Time of FDA Approval

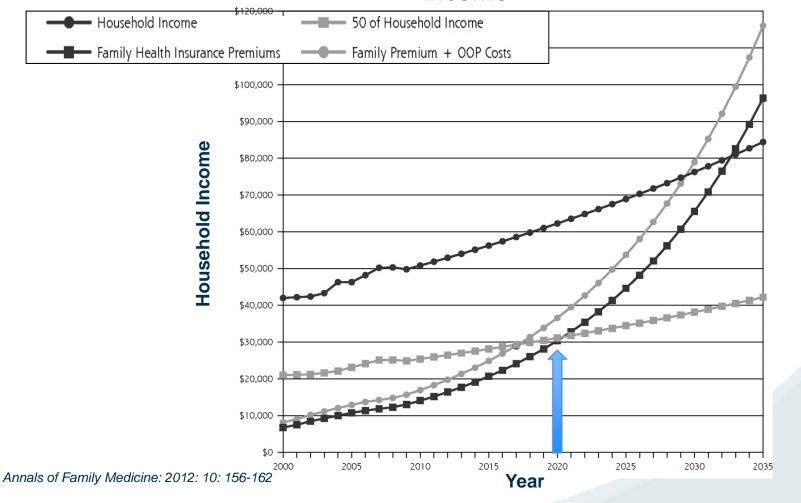
1965 - 2013





Patients are Bearing More of the Costs

Projected family health insurance premium costs and average household income



Taking Action: Cost and Value

- Value Task Force developing framework
 - Shared with CPC and State Affiliate Council
 - Value incorporated into the Annual Meeting
- Drug Cost Summit
 - Industry
 - Providers
 - Payers
 - Patients



What is "Value"?

"the regard that something is held to deserve; the importance, worth, or usefulness of something."

Benefit(s)



ASCO's Efforts to Lower Costs, Increase Value

- Promoting Adherence to Evidence-Based Medicine: ASCO Guidelines
- Participating in & Promoting "Choosing Wisely"
- Commitment to Quality Improvement: QOPI
- Working with Payers: Integration of Quality Measures into Reimbursement Decision-Making
- Cultivating a Learning Healthcare System: CancerLinQ
- Establishing Clinically Meaningful Outcomes in Cancer Research
- Payment Reform
- The Value in Cancer Care Task Force

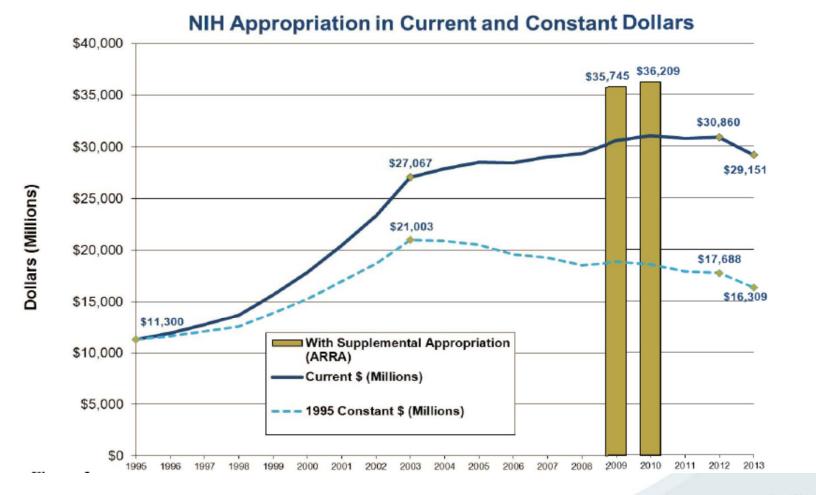


ASCO's Value Framework

- Designed to enable comparison of a new treatment with an existing treatment or, if there is no effective therapy, with best supportive care.
- Assesses value based on three primary parameters: Clinical Benefit, Toxicity, and Cost.
 - Clinical Benefit and Toxicity are combined to form a Net Health Benefit Score, then Cost is integrated to derive an overall Value Score for an oncology regimen.
- Two versions of the framework have been created: one for advanced (metastatic) disease and one for use in the adjuvant setting.
- In final stages of development for public release later this year.
 AS



NIH Appropriation 1995-2013



ASC

FY14 Research Funding					
	NIH	NCI	FDA		
FY14 Final	\$29.9 billion	\$4.9 billion	\$2.6 billion		
Increase over FY13	+ \$1 billion (3.5%)	\$144 million (3%)	\$182 million (7.1%)		
Comparison to Pre-sequester level	- \$700 million (2.3%)	-\$200 million (4%)	+ 100 million (3.8%)		



Impact of Sequestration on Research

- **75 percent** said their research budgets were cut
- **38 percent** have reduced their time spent on research
- **35 percent** have had to lay off staff
- 28 percent have decided to participate in fewer federallyfunded clinical trials
- 23 percent have had to limit patient enrollment on a clinical trial



Taking Action: Research Funding

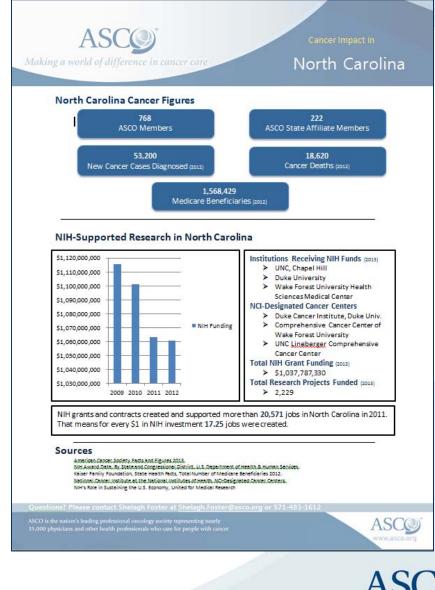
- Clinical Cancer Advances
- Coalition efforts
- Direct lobbying



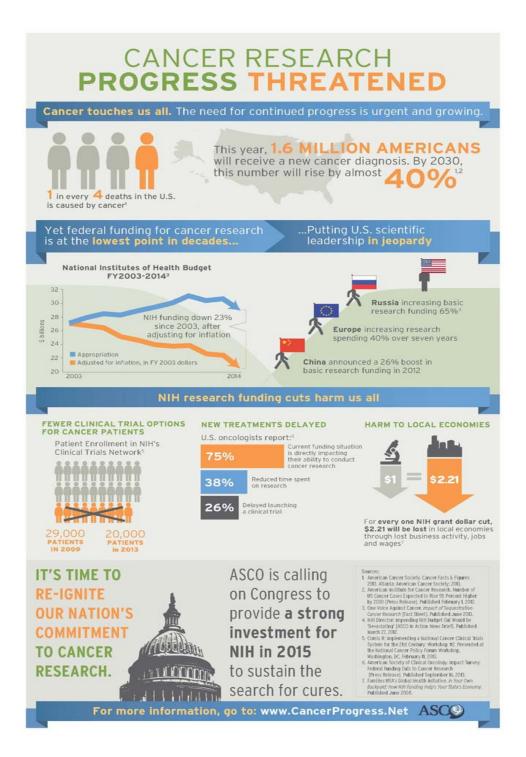


State Initiatives

- Targeted Grassroots Efforts with State Affiliates
- State-specific information sheets
- Meet with members of Congress in the district or in D.C.







Our Message

- 2014 increases not a budget victory for medical research
- Does not go far enough
- Adjusting for inflation, NIH budget below 2013 levels



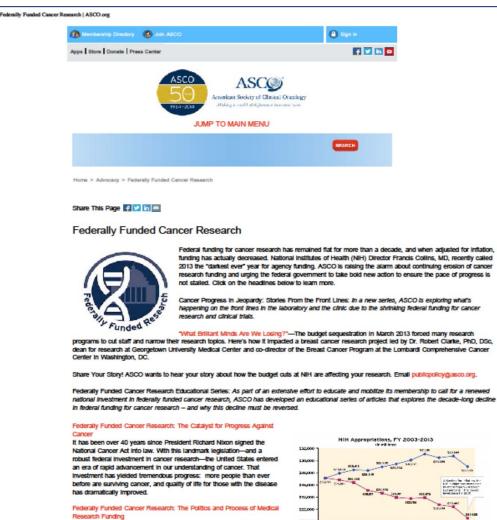
ASCO FY15 Funding Requests

• These funding levels will keep the agencies at pace with the rate of biomedical research inflation and provide some additional increase for new projects.

NIH	NCI	FDA
\$32 billion	\$5.26 billion	\$2.8 billion



Dedicated Website: www.asco.org/nihfunding



The pace of progress in modern oncology care was spurred by the National Cancer Act of 1971. But, the current economic and political realities threaten the pace of progress against cancer. A sharply divided Congress and the automatic, across-the-board sequestration cuts are converging to seriously undermine our nation's continued investment in medical research

ttp://www.asco.org/advocacy/federally-funded-cancer-research[2/18/2014 5:48:44 PM]



Source: One Voice Analost Cancer



4. Quality in Cancer Care



More than two decades app, the Institute of Middoine defined quality care as "the degree to which health services for individuals and populations increase the Takihood of desine health outcomes and are consistent with current professional knowledge."" In a subsequent report, "Emaining Quality Cancer Care," the DM farther refined the definition is mean care that is delivered in a technically competent manner with strong communication, subsrullarial sensitivity and shared decision making." Advancing access to high quality, evidence based care is the fundamental goal of providey and has been care to RSCO's mission since the Society first formed in 1964.



Many imparizations, including ASCD, here theficiated resources to improved measurement of the guality of care that patients receive, and to improving the guality, consistence, and value of that care. Though these efforts are not new to oncology, they are taking on increased argency in an environment of practice and payment reform. With the livited States new projected to spend S20 billion on cancer care in 2005,¹⁶ devine stakeholders are serving ways to control spending while preserving or entranceling quality. Oncology professionant pays a key note in controlling the costs of cancer care, and the protection her activity engaged in a safety of efforts to manage this growing hour. Further, concern door ont is

driving demand from parchasers, payers and pullicymakers for clear evidence of value. Performance measurement and improvement programs are necessary components for demonstrating value and, even more importantly, driving forces toward the best possible multiones for patients facing the life-attering diagnosis of cancer.

This chapter provides insight into the current quality of oncology care, highlights a number of resent efforts to improve quality and cod effectiveness, and describes the potential for "big data" to enhance quality and value in cancer care.

Quality Measurement: Insights from ASCO's Quality Oncology Practice Initiative

ASCO's Quality Decology Practice initiative (COPP') was launched in 2006 to promote excellence in cancer care by helping practices crivitin a collure of self-examination and improvement. Othered as a free program to ASC0 meethers, COPI is an occologic/sec.



The Date of Carcar Cars is America 2014 41





QOPI & Certification Respond to IOM's Report on Cancer Care & Need To Measure the Quality of That Care

- End of life care consistent with patient values
- Core competencies for the workforce
- Coordinated team based care
- Communication with patients

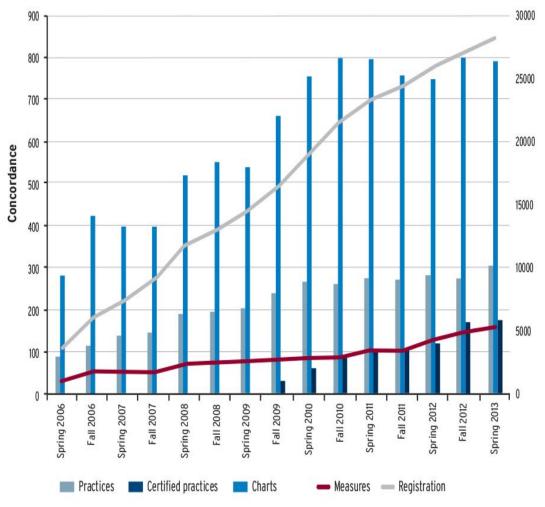
DELIVERING HIGH-QUALITY CANCER CARE

Charting a New Course for a System in Crisis





Growth in QOPI Since 2006



The State of Cancer Care in America: 2014, American Society of Clinical Oncology.





COPI[®] THE QUALITY ONCOLOGY PRACTICE INITIATIVE

Quality Cancer Care: Pursuing Excellence

- Successful in engaging practices in quality assessment: In 2013, nearly 500 practices, representing 4,000 medical oncologists
- Library of nearly 200 measures
- Evolving to meet member needs
 - ➢ eQOPI (batch upload of EHR data) 2014
 - CMS reporting (PQRS/QCDR) data collection 2014/2015
 - Oncology Medical Home Module



- Demonstrates adherence to evidence-based guidelines
 - Develop initiatives and interventions that will demonstrate improved clinical quality and outcomes
- Measures enhanced patient provider communications
- Incorporates "Top 5" list to improve quality and value in cancer care
 - Identify best practices and opportunities for improvement
- Gateway to QOPI Certification



QOPI Certification Program



QOPI Certified/Recertified Practices 280 Certifications May 2014 5 1 - 2 5 6 3-4 2 2 5-6 15 7-8 2 4 9+ 10 2 Hawaii Puerto Rico 21 Alaska Washington, DC 🔶 1

Certification Standards

Practices Applying For QOPI Certification Must Meet ALL 20 Certification Standards Which Are Based On The ASCO/ONS Standards For Safe Chemotherapy Administration

PRACTICE AREAS

Staffing

Cert

- Treatment Planning & Chart Documentation
- Informed Consent
- Chemotherapy Orders
- Drug Preparation
- Chemotherapy Administration
- Patient Monitoring and Assessment
- Preparedness for emergency situations
- Oral Chemotherapy
- Patient Education



What's In It for Institutions/Practices?

- GOLD STANDARD for oncology care
- Aligns with many TJC standards but more oncology relevant
- Ability to market your cancer center's focus on quality & safety
- Demonstrates to payers adherence to national standards of care







Quality Cancer Care: Pursuing Excellence

Limitations

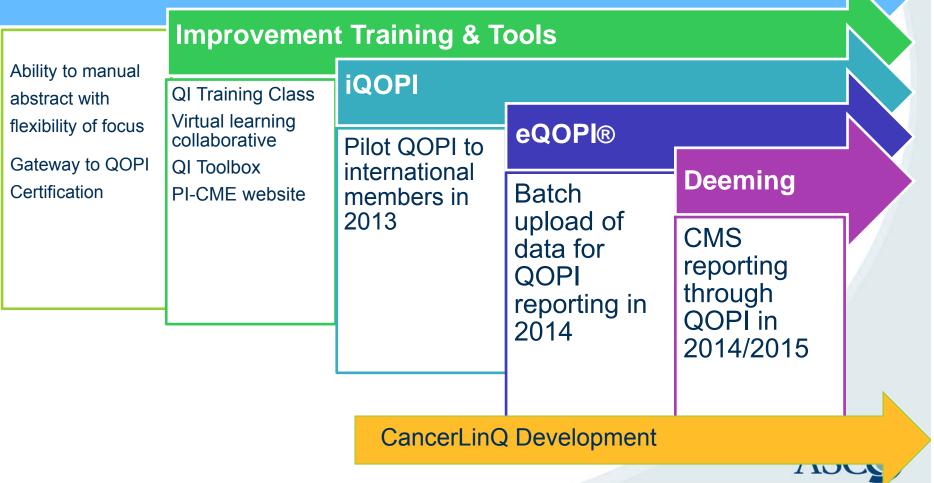
- Manual
- Retrospective
- Incomplete
- Twice annually
- Incomplete adoption
- Assesses process not outcomes



Evolution to Meet Member Needs

QOPI Certification Program

Current QOPI[®]



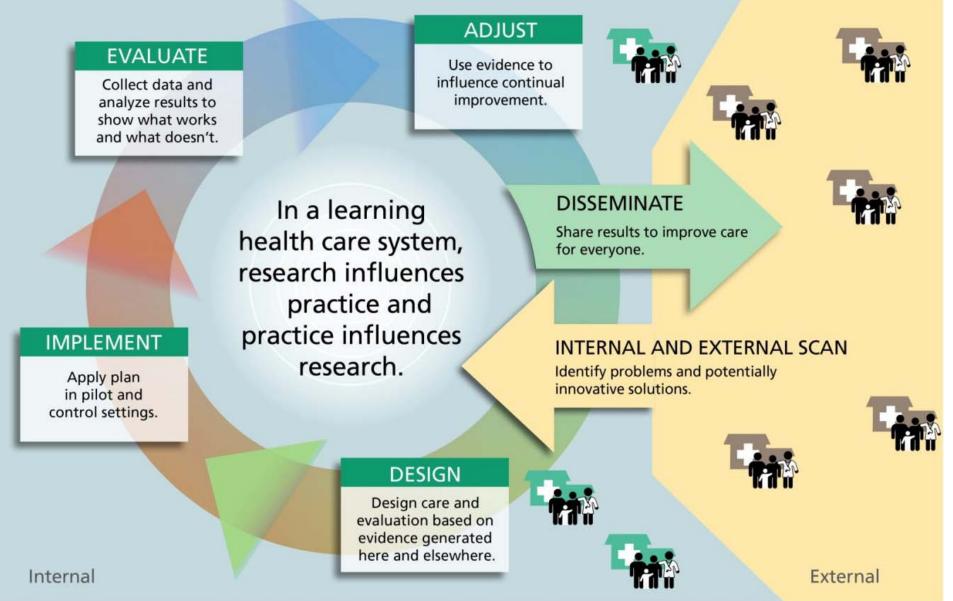
The Vision

A system in which real-time clinical data is captured, analyzed, and used to enhance patient care and drive scientific discovery





The Virtuous Cycle of Learning Healthcare





The treatment experience of 95% of people with cancer is isolated in their individual medical records.

CancerLinQ will collect data, analyze it, create knowledge then provide real-time access for doctors, researchers and patients.



Improving Quality for Patients, Providers, Researchers

The primary purpose of CancerLinQ is to improve the QUALITY of care and to enhance outcomes; additional benefits include:

For Patients:

- Improved outcomes
- Clinical Trial matching
- Safety Monitoring
- Real time side
 effect management
- Patient Reported
 Outcomes

For Providers:

- Real time "second opinions"
- Observational and guideline-driven Clinical Decision Support
- Real time access to resources at the point of care
- Quality reporting and benchmarking

For Research/Public Health:

- Mining "big data" for correlations
- Comparative
 Effectiveness
 Research
- Hypothesis generating exploration of data
- Identifying early signals for adverse events and
 effectiveness in "off label" use

Paradigm Shift in Providing Care

TODAY'S CARE MODEL

Providers seek out content

Care is fragmented and key information is missing

Research requires years; real-world data are lacking

TOMORROW'S CancerLinQ MODEL

Content comes to providers at point of care

Complete Longitudinal Data flows between patients and providers

Learning from every patient becomes a reality; cycle of EBM is dramatically





Paradigm Shift in Technology

TRADITIONAL REGISTRY

Requires Query Writers & Analysts

Form the Query, Get the Data, Use the Data

Structured Data Only

Requires Special Skills

TOMORROW'S CancerLinQ MODEL

Ability to Explore Data
Freely
Get ALL Data, Explore the
Data, Apply the Data

Structured and Non-Structured Data

Familiar and Intuitive Tools Requiring Minimal Training





State Efforts Matter

- Visit with members of Congress (home or DC)
- Share your stories
- Supportive letters/messages
- Stay in touch!





We Hear You...and Feel Your Pain

- Rapid escalation in scope of issues
- Volatile practice
 environment
 - Economic pressures
 - Consolidations, mergers
 - Focus on value
 - Shifting care models
 - Growing administrative burden



Practices need help



New Department of Clinical Affairs

Helping practices survive and thrive...

today AND in the future

- Physician Led
- Education, e.g.
 - Practice administration
 - How to negotiate
- Information and analysis
 - Template contracts or agreements
 - Practice trends
 - Economic analysis
- Hands on help
 - QI projects
 - Learning networks



