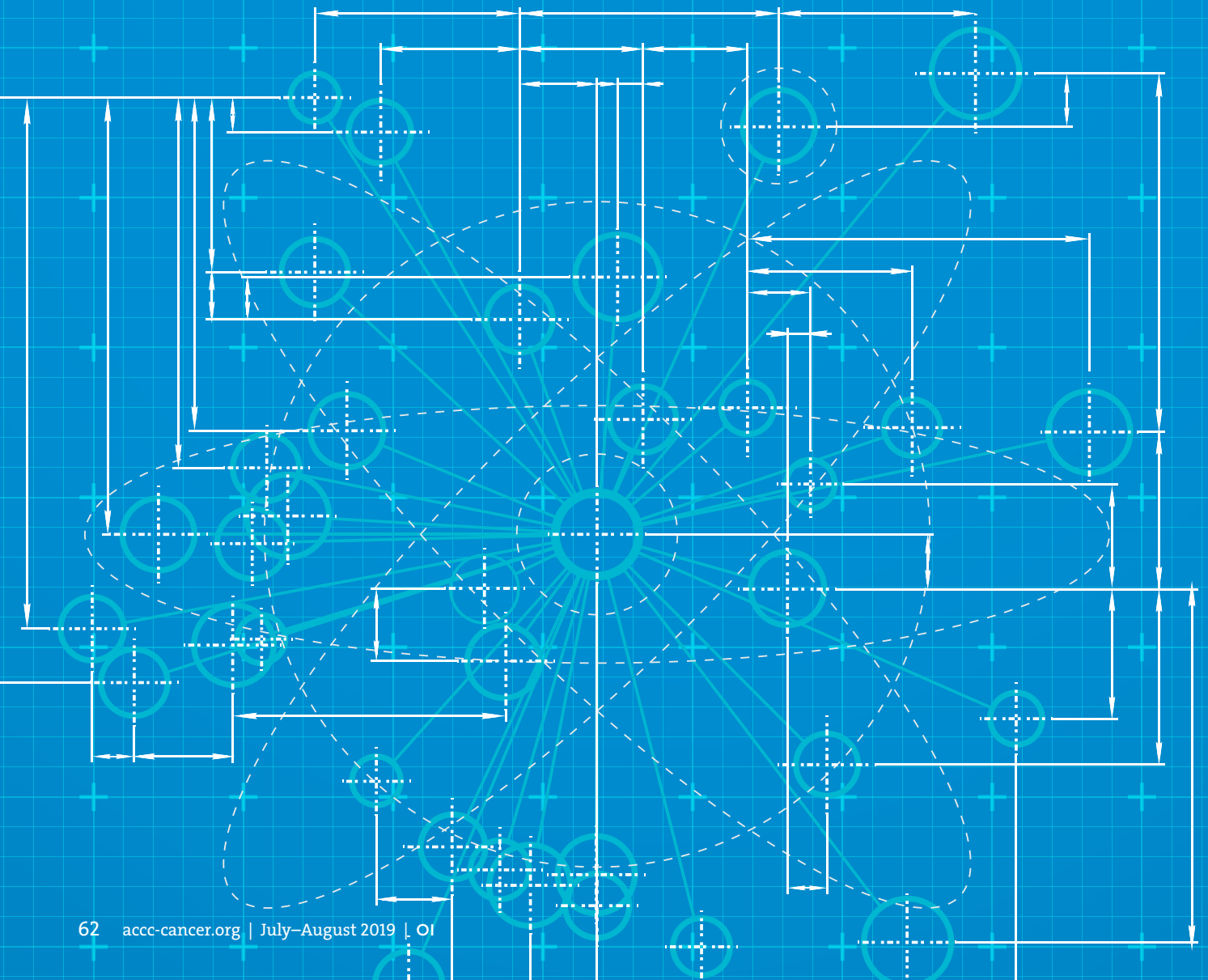


Oncology Program Planning



A framework for the multidisciplinary cancer care team

The field of oncology is rapidly advancing. Emerging research is fostering paradigm-altering changes to improve cancer diagnosis and treatment, and innovative technologies are expanding access to cancer services to broader patient populations. At the same time, cancer programs continue to grapple with reimbursement pressures, high and rising treatment costs, and other barriers to accessible and affordable care. On a daily basis, many cancer programs are encumbered with the immediate pressures of “here and now” issues. To stay on top of the “here and now” while also preparing strategically to navigate “next-level” challenges, such as offering immunotherapy services, cancer program leadership must cultivate a stratified mind-set. Because reimbursement of next-level treatments is uncertain, many cancer programs are unwilling or even financially unable to take on the financial risk of offering these high-cost innovative therapies, which often require an institutional commitment to build infrastructure. Yet, as cancer treatments become increasingly sophisticated and nuanced, cancer programs will need to develop more complex strategies and programming tactics to stay competitive in this new era of cancer care. In this article we share top-of-mind concerns and key themes from recent conversations with cancer program leaders from a cross section of care settings, as well as our insights on the future of the business of oncology and how your organization can proactively prepare.

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Here and Now: Maximizing Reimbursement and Cutting Costs

Each day, cancer programs and practices seek ways to resolve increasingly complex financial situations while also providing optimal patient care. Pressures on already-thin margins resulting from reimbursement cuts grow stronger each year. For example, last year, most cancer programs in underserved communities experienced a 30 percent decrease in Medicare drug reimbursement that left them scrambling.¹

Oncology program leadership foresees margin pressure to be an increasing challenge in the near term, because the Centers for

Medicare & Medicaid Services FY 2019 outlook is budget neutral, giving providers no expectation of Medicare rate increases. In addition, high and growing drug costs are being exacerbated by costly innovative therapies like CAR T-cell, and there is continued uncertainty about potential policy changes (e.g., 340B, site neutrality, and the International Pricing Index model) that could have disastrous financial impact on cancer programs. Although these challenges are daunting, below are five strategies to help cancer programs weather these trends.

1. *Take advantage of beneficial governmental policies like 340B and provider-based billing while they still exist.* This may require more flexibility, such as a willingness to move clinics “on campus.”
2. *Replace lost margins by increasing volume and seeking new revenue streams.* For example, developing owned retail and specialty pharmacy strategies can benefit cancer programs by offsetting reimbursement cuts with additional volume.
3. *Push care to lower-cost settings before payers mandate it.* Common cost-saving initiatives adopted by cancer programs and practices include oncology urgent care models and symptom management clinics. These resources can help reduce emergency room visits and hospital admissions due to chemotherapy side effects. Standardizing drug and lab utilization and medication protocols can also enhance the cost-effectiveness of care delivery.
4. *Focus on direct payer negotiation and continuous revenue cycle improvement.* Despite margin pressure, some providers have made meaningful investments in these areas to moderate the continuous and time-consuming administrative effort required to get treatments authorized on a timely basis.
5. *Double down on any efforts to reduce internal costs and learn how to do more with less.* Implement lean methodologies to cut waste, evaluate key electronic health record enhancements to alleviate staff stress and enhance efficiency, and address clinical variations to target margin improvement.

Here and Now: Easing Patient Access

Many cancer program leaders say that improving patient access and the patient-centeredness of care delivery are key strategic imperatives, and they are working toward these goals using a variety of methods across multiple channels. To better appeal to patients, organizations are adding program entry points, marketing themselves in ways that increase awareness of their programs, and differentiating their services to align with what matters most to an increasingly savvy patient base. To better attract physicians, more community cancer programs are participating in network affiliations and national partnerships. This collaboration enables cancer programs to increase patient access to subspecialized oncology expertise and provide training and education opportunities to local physicians, although such efforts must be carefully navigated with local clinicians. From the payer perspective, the growing need to focus on the total cost of care has redefined access through the lens of lower-cost settings. For oncology, this means that providers are shifting care to less acute environments

and nontraditional settings with satellite community sites, home care, and telehealth. To prepare for these challenges, cancer programs can:

- *Prepare for a future where more care is delivered in lower-cost ambulatory sites.* Monitor trends in areas like home infusion (e.g., specialty pharmacies seeking home infusion accreditation) and fine-tune your patient access strategies to keep pace.
- *Build a subspecialized tumor site infrastructure.* Expert, team-based care in a multidisciplinary setting resonates with patients. For many community cancer programs, this means broadening your surgeon portfolio and increasing your surgical capabilities, whether in-house or via partnerships.
- *Double down on your program’s strengths; do not try to be an expert in all cancers.* Instead, be the best at what you already do well. For example, if you have had success with and invested in gynecologic cancer services, consider opening a comprehensive women’s cancer clinic.
- *For large providers, locate your services according to the needs of your community and then adjust your geographic footprint accordingly.* Multi-hospital systems are often successful when using a tiered service level strategy. Create a differentiating destination center as your primary hub, establish regional cancer centers as mini-hubs, and implement mobile treatment options for localized care.
- *Ensure that strategies create numerous “front doors” to your cancer program (like the tiered service level example above) and establish internal processes that ensure uniform, system-wide quality clinical standards.* As cancer patients become more sophisticated, they expect you to meet the promise of your brand wherever they see your program’s name.
- *Approach network affiliations carefully.* Engage medical staff early in the process of defining the goals and rationale for an affiliation. Absent such participation, physicians may feel threatened or offended by it.

Next Level: Keeping Pace with Innovation and New Cancer Therapies

Cancer programs and practices are largely still wrapping their heads around how to define and talk about the newest drugs and technologies for cancer treatment. Immunotherapy, precision medicine, genomics, and CAR T-cell therapy will require new funding mechanisms and internal infrastructure before they can be made widely available.

Different types of providers can have widely divergent expectations about the pricey new cancer treatments hitting the market. Though most community cancer programs recognize the importance of developing appropriate diagnostic and treatment capabilities to deliver new cancer therapies, many are unsure how to get there. Academically oriented programs, on the other hand, are generally further along in implementing the infrastructure necessary to offer new innovations in oncology care. Some of these organizations are the ones developing the innovations. Nevertheless, even many academic programs are not where they want to be when it comes to preparing for a future dominated by innovative therapies like CAR T-cell.

To meet the challenges posed by the new generation of cancer treatments, keep these recommendations in mind:

- *Put mechanisms in place that will enable better organizational support of innovative cultures, clinical research, and academics.* This shift will not happen overnight, but you can start working on the basics, such as teaming researchers with your oncology care providers and hiring research coordinators to make it easier for physicians to enroll patients in clinical trials.
- *Seek partnership opportunities that give your physicians access to the most up-to-date training and research.* The rapidly changing nature of oncology therapies paired with growing patient expectations will challenge the status quo of cancer treatment. Patients increasingly expect their physicians to provide evidence-based care and have innovative treatment offerings well integrated into their clinical services.
- *Invest in financial counselors and navigators.* These positions are only growing in importance as oncology providers struggle to offset costly new treatments. Anticipate more and more patients asking about therapies such as immunotherapy combinations and CAR T-cell and ensure that your providers can efficiently and effectively navigate their questions.
- *Be aware of tactics that can prevent burnout and optimize top-of-license work.* As more demands are placed on clinicians and the overall oncology care team, the issues of burnout and team well-being are likely to continue. Take advantage of the growing body of tools to screen for burnout and promote healthcare staff wellness.
- *Secure right-minded, forward-thinking leadership for the long term.* The importance of strong leaders cannot be underestimated. Cancer programs that are the most prepared for the future have the leadership in place to get them there.

Next Level: Preparing for a Value-Based Future

Most cancer program leaders say that value-based payment models are on their radar but not yet a huge focus or priority. Of course, programs are in different places in the journey away from fee-for-service, depending on the payers and competitive pressures in their specific markets. But there seems to be a near-universal recognition that the pace of the transition to value-based reimbursement is accelerating. Cancer program leaders agree that the industry's reimbursement challenges and cost issues will increase pressure on cancer programs to adapt to value-based care models in the near future. This means preparing to offer the most efficient, highest-quality care model—one that gets patients to the right treatment the first time. To move forward in this new reimbursement environment, consider the following steps:

- *Establish close ties and build trusted relationships with payers and employers—key stakeholders in a value-based future.* Strategies to accomplish this include direct-to-employer initiatives, clinically integrated network participation, and shared navigator programs designed to improve coordination and eliminate unnecessary prior authorization issues.

- *Begin to realign historical incentives.* One of the biggest barriers to transitioning to value-based cancer care is getting oncologists who are used to payment based on visits and chemotherapy revenue accustomed to a new compensation model.
- *Learn from first movers in the oncology industry.* These early adopters (such as Oncology Care Model participants) will help you better understand what your peers are doing to reduce cost burdens and adjust to new payment models.
- *Focus on reducing care variation.* Cost-effective care means establishing a clinical standard (such as National Comprehensive Cancer Network Guidelines) and mechanisms to measure and track compliance. Pathway models and navigator positions may help, as will integrated electronic health records across a cancer program.
- *Determine the optimal clinical decision support and data-related partnerships for your program.* The shift to value-based care means that data sharing is the future. Progressive organizations are investing in new positions like chief data officer and using data as an asset to determine preferred therapy options.

The field of oncology has accomplished tremendous things: nationally, we have seen a 27 percent decrease in cancer deaths since 1991.² The innovative therapies on the horizon that are making their way into cancer programs herald a new era that promises to accelerate that trend. These innovations do not have to just mean struggling to accommodate the complex infrastructure and high prices that come with new therapies. Well-designed, forward-thinking programs can flourish by incorporating advanced payment models, improved care delivery, and enhanced access design.

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