Sec. 1. Short Title

Sec. 2. Establishing an Oncology Medical Home Demonstration Project Under the Medicare Program to Improve Quality of Care and Cost Efficiency.

The legislation amends title XVIII of the Social Security Act to establish a national oncology medical home demonstration project under the Medicare program to reform the payment system for cancer care in order to enhance the quality of care and to improve cost efficiency.

Medicare Demonstration Project Application

Not later than 6 months after passage of this bill, the HHS Secretary (CMS) shall implement an Oncology Medical Home Demonstration Project. Oncology practices that submit an application to CMS and are either physician-owned or hospital-affiliated are eligible to participate. An application to participate shall include an attestation that the practice does the following:

1. Furnishes services under Medicare Part B;
2. Coordinates oncology care inside and outside the practice;
3. Meaningfully uses electronic health records; and
4. Becomes accredited as an Oncology Medical Home one year after commencing participation in the program.

Additionally, the practice agrees to repay all funds it receives from the program if after 60 days after submitting an application the practice does not submit an application to be accredited as an Oncology Medical Home.

Quality Reporting Requirements of the Practice

For each year of the demonstration project, the practice must report to HHS/CMS the following:

1. Performance with respect to not less than 10 measures of quality and/or value (see below); and
2. Level of satisfaction of patients receiving cancer care.

The practice agrees to not receive any payments if it does not report on the measures and satisfaction of patients and must also meet minimum performance criteria. The practice also agrees it uses shared decision-making tools to incorporate patient needs in providers being able to tailor cancer care.

Selection of Participating Practices

Not later than 6 months after passage of the bill, CMS must select practices to participate up to a maximum of 1,500 oncologists. The practices shall be a mix of practice size and geography. If a practice is participating in another HHS/CMS demonstration project or pilot payment reform project it can opt out of that project and participate in this demonstration project as long as it has received no payments from the opt-out project.
Quality and Value Measures

CMS shall use 19 measures of quality and value as specified in the bill that are relevant to cancer patients. The measures deal with:

- Patient Care (8 measures)
- Resource Utilization (2 measures)
- Survivorship (5 measures)
- End-of-Life Care Measures (4 measures)

CMS may, in conjunction with appropriate stakeholders (including oncologists, allied health professionals, insurers, patients, and biopharmaceutical manufacturers), modify or add to the measurers.

Assessment of Practices

Each year CMS shall assess the performance of each participating practice on the measures reported by the practice compared with other participating practices, taking into account the extent to which the practice has used breakthrough or other best-in-class cancer therapies. CMS shall develop, in conjunction with appropriate stakeholders, minimum performance requirements for the measures and for patient satisfaction with their cancer care.

Payments to Practices

Participating practices shall be paid a care coordination management fee after each 6-month period for the first 24 months of participating in the project. The amount of the fee shall be determined by CMS in conjunction with oncologists who provide cancer care and are reimbursed under Medicare Part B.

In addition, CMS shall pay an ongoing management fee for the next 36 months of the project that will be a 50% shared savings between Medicare and participating practices. CMS will calculate the shared savings pool by determining savings achieved by practices participating in the project, subtracting aggregate payments made during the initial 24 months such the project is at least revenue neutral. Individual practices will receive a management fee based on their performance in comparison to other participating practices, subject to achieving the minimum standards on the quality and value measures and patient satisfaction. CMS shall determine the fee, in conjunction with appropriate stakeholders, based on performance, issuing guidance on the methodology for determining performance not later than 6 months after enactment of the bill.

On a quarterly basis, CMS shall inform participating practices on performance on the measures and cost savings.

GAO Report

Not later than June 1, 2019, GAO shall submit a report to Congress on the relative success of the project, including an assessment of the impact of the project on the quality and cost-efficiency of oncology services provided under the project. The report will include a recommendation on the possible expansion of the project.