Panel Moderator: Bruce Gould, MD
President, Community Oncology Alliance
Medical Director, Northwest Georgia Oncology Centers
PRIVATE PAYER & MEDICARE ONCOLOGY PAYMENT REFORM PILOTS
MODERATOR: BRUCE GOULD, MD

• Aetna
  – Mike Kolodziej, MD, FACP, National Medical Director, Oncology, Aetna
  – Russell Hoverman, MD, PhD, Vice President of Quality Programs, Texas Oncology

• UnitedHealthcare
  – Lee Newcomer, MD, Senior Vice President, Oncology and Genetics, United Healthcare
  – Scott Parker, Executive Director, Northwest Georgia Oncology Centers

• Medicare (COME HOME)
  – Barbara McAneny, MD, CEO, New Mexico Oncology Hematology Consultants
  – Steve D’Amato, BS Pharm, BCOP, Executive Director, New England Cancer Specialists

Cancer Therapy Episode Payment Program

Partnership with five volunteer oncology practices

Rewards physicians for **improved quality** and **total cost** of cancer management

**Ends dependency** on drug sales

Builds a **learning system** to identify best practices
Episodes Program: Gain Sharing

- **Selection** of preferred chemotherapy regimen for 19 episodes in breast, colon and lung cancer
- **Calculation** of drug profits from those margins
- **Draw a line in the sand**
- **Payment** fee for service.
  - Drugs paid at average sales price.
  - Episode payments unchanged with drug changes.
- **Measure** performance annually.
- Episode payment **changes** only with lower total cost or improved outcomes

Results Episodes 1.0

<table>
<thead>
<tr>
<th></th>
<th>Expected from FFS</th>
<th>Episodes Actual</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Medical Cost</td>
<td>$98,121,388</td>
<td>$64,760,116</td>
<td>$33,361,272*</td>
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<tr>
<td>Drug Cost</td>
<td>$7,519,504</td>
<td>$20,979,417</td>
<td>$(13,459,913)</td>
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</tbody>
</table>

*Savings includes the additional drug costs*
Cancer Therapy Episode Payment Program

The West Clinic - Memphis, Tennessee
Northwest Georgia Oncology Centers - Marietta, Georgia
Center for Cancer and Blood Disorders - Fort Worth, Texas
Advanced Medical Specialties - Miami, Florida
Dayton Physicians LLC - Dayton, Ohio
Texas Oncology – Texas
Oncology Hematology Consultants – Cincinnati, Ohio
Rocky Mountain Cancer Centers – Eastern Colorado
North Florida Cancer Specialists – Jacksonville, Florida
Tulsa Cancer Institute – Tulsa, Oklahoma
Regional Cancer Care Associates New Jersey

Implementing Innovative Payment Models
A Path to Success

The Obvious Isn’t Always Simple
- Willing Partner
- Physician Champion
- Buy-in / Commitment to Success
- Strong Financial Analytics Capabilities
- Strong Reimbursement Manager
- Strong Clinical Management
- Solid Treatment Planning Approval Process
- Collaboration, Customer Service, Patience
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COME HOME: Services To Be Delivered

• Enhanced Services (Phase I)
  – Patient education & medication management
  – 24/7 practice access: telephone triage, triage pathways, night/weekend clinic hours, on-call physicians
  – On-site or near-site imaging, lab testing
  – Admitting physicians who shepherd pts through IP encounters, avoiding handoffs & readmits, ensure seamless care

• Diagnostic pathways, including genetic markers (Phase II)

• Therapeutic pathways, including genetic markers (Phase III)
Percent of Patients with at least one ED Visit

Percent of Patients with at least one IP Admission
Inpatient Days per Six Months

Six Month Total Cost of Care
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