

# The 800-pound gorilla takes on oncology

## Oncology Care Model entering its fourth year

### Overview of the Oncology Care Model (OCM)



#### Who is participating?

- 176 medical oncology practices
- 10 payers
- CMS



#### How are practices paid?

- **Fee-for-service payments** for all services to enrolled beneficiaries
- **Monthly enhanced oncology services (MEOS)** payment of \$160 for six months upon initiation of chemo
  - If the patient continues or resumes chemo, practice can trigger subsequent episodes
- **Performance-based payment** provided if practice reduces beneficiaries' total Medicare billings and meets threshold for quality performance
  - Quality measured relative to other practices
  - Cost performance is evaluated against historic performance



#### What are the requirements for participating providers?

- Provide 24/7 access to appropriate clinician with real-time access to medical records
- Provide the core functions of patient navigation
- Document a care plan with the 13 components recommended by the IOM
- Treat patients on nationally recognized clinical guidelines
- Use certified electronic health record technology (CEHRT)
- Utilize data for continuous quality improvement

# Not the results we were hoping for

Too early to draw conclusions, but participants split on value

## Performance Period (PP) 1 results

Against the comparator group, the OCM cohort had...

### = Quality

Small reductions in admissions and ICU stays at end of life

### = Costs

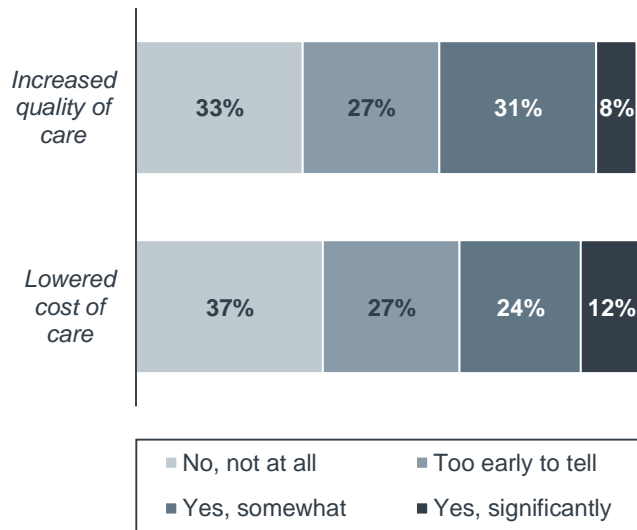
Slightly declined total costs of care, not including MEOS payments

### Key caveats

- Delayed roll out of data
- Many practices just starting to implement cost-savings initiatives
- Methodology concerns, e.g., attribution, tumor-specific risk adjustment, novel therapy adjustment

## OCM participants' perception of value

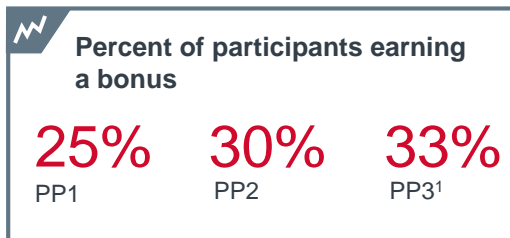
n=51 oncologists participating in OCM



# Only two more years till planned end point

Participants reach critical decision point in 2019

## Timeline of key OCM events



### Highlights of new two-sided risk model

- Reduced discount (2.5%)
- Stop-gain and stop-loss amounts based on revenue, rather than cost benchmark
- Minimum loss threshold of 2.5% before recoupment activated

Source: "CMS announces additional opportunities for clinicians to join innovative care approaches under the Quality Payment Program," Centers for Medicare & Medicaid Services, <https://www.cms.gov/Newsroom/MediaReleaseDatabase/Press-releases/2016-Press-releases-items/2016-10-25.html>; "Oncology Care Model Overview," Association of Community Cancer Centers, <http://oi.accc-cancer.org/advocacy/OCM-Overview.asp>; Strawbridge L, ACCO Oncology Care Model Collaborative Workshop at the ACCO 44th Annual Meeting and Cancer Business Summit, Washington, DC, March 16, 2018; Oncology Roundtable interviews and analysis.

1) After initial reconciliation but before true up. Percentage will likely decrease slightly.

# Comparing the options

	Risk Arrangement		
	One-sided risk	Original two-sided risk	Alternative two-sided risk
<b>OCM discount</b>	4% of benchmark	2.75% of benchmark	2.5% of benchmark
<b>Performance-based payment based on...</b>	Actual < target	Actual < target	Actual < target
<b>Performance-based payment calculated on...</b>	Target – actual	Target – actual	Target – actual
<b>Stop-gain</b>	20% of benchmark	20% of benchmark	16% of revenue + chemo
<b>Recoupment is the following is true...</b>	NA	Actual > target	Actual > benchmark
<b>Recoupment based on this difference...</b>	NA	Actual - target	Actual – benchmark
<b>Stop-loss</b>	NA	20% of benchmark	8% of revenue + chemo
<b>Advanced APM status</b>	No	Yes	Yes

# This isn't new territory for CMS

## MSSP<sup>1</sup> Participation and Financial Performance, 2012-2017



Program performance year	Number of ACOs	Spending below target, savings	Spending below target, no savings	Spending above target	Net impact to Medicare
PY1 2012-2013	220	26%	27%	47%	<b>(\$78M)</b>
PY 2014	333	28%	27%	46%	<b>(\$50M)</b>
PY 2015	392	31%	21%	48%	<b>(\$216M)</b>
PY 2016	432	31%	25%	44%	<b>(\$39M)</b>
PY 2017	472	34%	26%	39%	<b>\$314</b>

1) Medicare Shared Savings Program.

Source: Cinque M, "The strategy many ACOs call the secret to MSSP success," *Advisory Board's Daily Briefing*, November 21, 2013; Lazerow R, "Four takeaways on the recent ACO results: CMS Fact Sheet, August 25, 2016; Sinclair H, "Last year's MSSP results are out. Here are our key takeaways," *Advisory Board's Daily Briefing*, October 31, 2017; Oncology Roundtable interviews and analysis.

# Still evolving the model

“Pathways to Success” rule at end of 2018 changes MSSP again

Current Structure	Change	New Structure
<p><b>Track 1</b> 3-year agreement, upside-only</p>	<p><i>Consolidated and adapted</i></p>	<p><b>BASIC Track</b> 5-year agreement First two years: upside-only Last three years: 30% fixed loss rate</p>
<p><b>Track 1+</b> 3-year agreement, 30% fixed loss rate</p>		
<p><b>Track 2</b> 3-year agreement, up to 60% loss rate</p>	<p><i>Eliminated</i></p>	<p><i>No equivalent financial model under proposed structure</i></p>
<p><b>Track 3</b> 3-year agreement, up to 75% loss rate</p>	<p><i>Rebranded</i></p>	<p><b>ENHANCED Track</b> 5-year agreement, up to 75% loss rate</p>

# No shortage of ideas for OCM 2.0

## Recent oncology-related models proposed to physician-focused Payment Model Technical Advisory Committee (PTAC)

### 1 Comprehensive Cancer Care Delivery Model

- Submitted by Community Oncology Alliance (COA)
- Builds on Oncology Care Model, but starts with any treatment and follows patients to survivorship or end of life
- One- and two-sided risk options, both including risk-adjusted care management feeds and shared savings based on total costs of care

### 2 Patient-Centered Oncology Payment Model (PCOP)

- Submitted by ASCO
- Provides supplemental payment for treatment planning, care management, and clinical trial participation
- Includes a two-sided risk option based on quality measurement reporting and treatment pathway compliance

### 3 Making Accountable Sustainable Oncology Networks (MASON)

- Based on principles of Community Oncology Medical Home (COME HOME)
- Participants would be equipped with triage pathways, diagnostic and therapeutic pathways, cognitive computing platform, and data science processes
- Cost targets based on Oncology Payment Categories (OPCs); shared savings based on cost and quality performance

Active proposals, letters of intent submitted

Recommended for implementation