2020 Community Oncology Alliance Payment Reform Model Brief

35 Distinct Oncology Payment Reform Models Underway or Planned in 37 States Across Country

Community Oncology Practices Continue Strong Participation in Oncology Payment Reform, Leading Way in Developing Solutions to Reduce Cost of Cancer Care

The Community Oncology Alliance (COA) Payment Reform Brief tracks the rapidly changing and evolving world of oncology payment reform in the United States. COA has tracked payment reform trends in oncology informally since 2014 through public and private data sources. This inaugural brief provides a more formal assessment of all program models being tracked in order to advance awareness and success of this work.

The 2020 Community Oncology Payment Reform Brief data shows:

- **There are currently 35 distinct oncology payment reform models planned or underway**; this is compared to only 19 identified in 2019.
- **Payment reform models are in operation in 37 states.**
  - Arizona, Colorado, Florida, and Ohio each have seven reform models.
- **Seven models operate in more than one state and four are national.**
  - The four national models include Center for Medicare & Medicaid Innovation (CMMI) Oncology Care Model (OCM), Aetna, Cigna, and Humana.
  - 138 practices in 29 states are participating in the CMMI OCM.
- **18 payment reform models offer shared savings and/or include a management fee.** One or more of these features are consistent in over half of the reform models.
- **Consistent in most payment reform models** are clinical standards and measures, differing payment methodologies, performance reporting and evaluating, and emergency room and inpatient admissions reporting.
- **Four of the 35 models are employer-based.** Traditionally, payment reform models have been payer-based, however employer-driven models have doubled since 2019.
- **The first payer to implement an oncology payment reform model** was UnitedHealthcare in 2009.

A reformed payment system focused on recognizing and rewarding high quality and value is the prerequisite to meaningful, long-term, positive improvement in cancer care delivery for all. With continually increasing costs of health care, especially cancer care, there is a focus on reforming payment and delivery of care in oncology.

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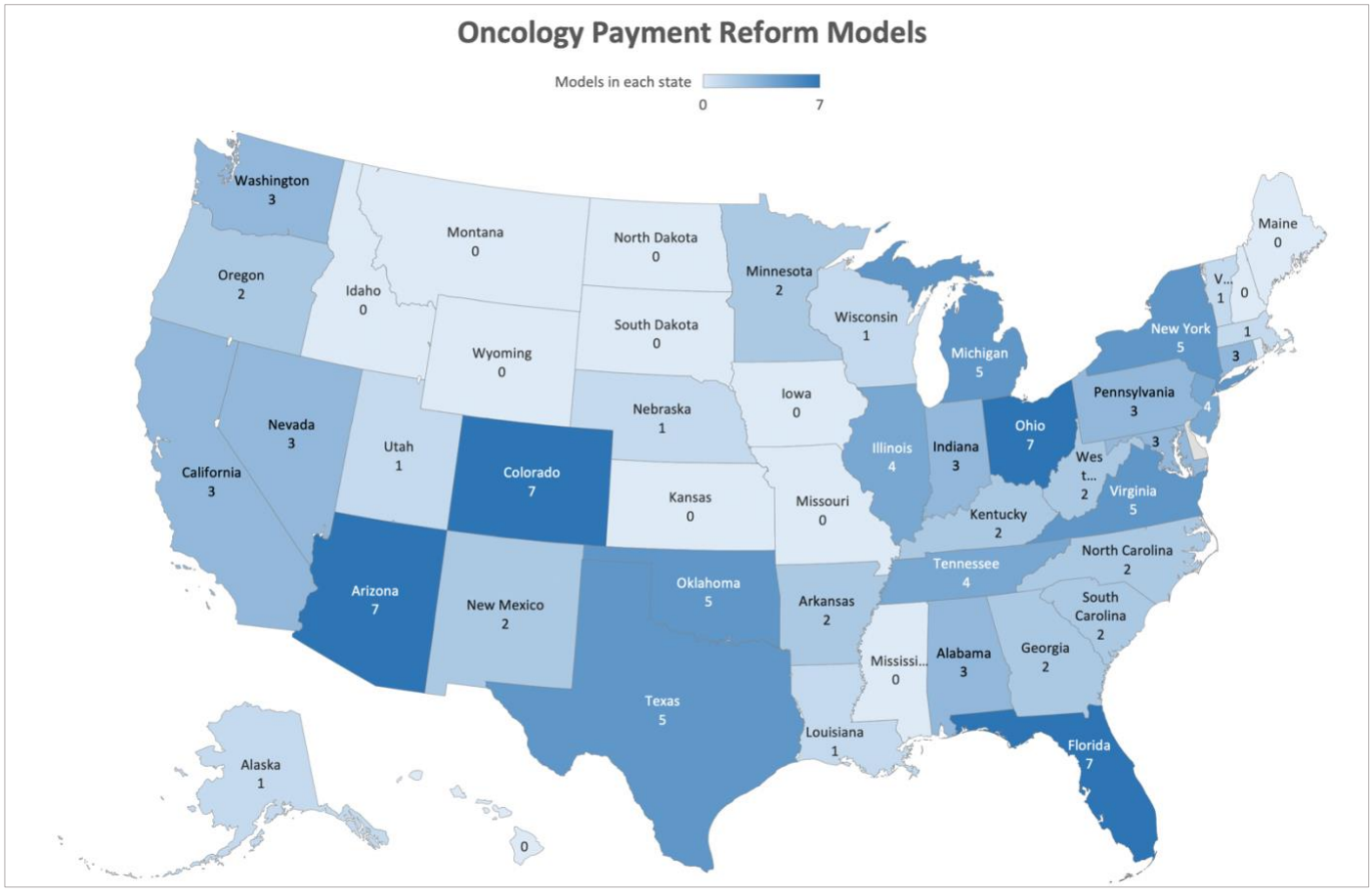
Existing payment structures have been developed on the fee-for-service (FFS) foundation that rewards services utilization, regardless of the degree of effectiveness or efficiency for patient care. New systems and processes are needed to underpin not only cancer-related services but, more broadly, value- and outcomes-based care for the entire cancer care delivery system.

Over the last decade, COA has seen national, regional, and state payment and delivery reform efforts emerge, each of which approaches the challenge with different and shared strategies. Consistent in most payment reform models are clinical standards and measures, differing payment methodologies, performance reporting and evaluating, increased patient support services and access, and efforts to reduce unnecessary emergency room visits and inpatient admissions.



For an interactive map of models and additional details, visit
https://communityoncology.org/2020-payment-reform-model-brief/

Discussion: A Community Commitment to Oncology Payment Reform

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Recognizing that the costs for cancer care in America are too high and unsustainable, COA and community oncology practices have been longtime leaders in oncology care payment reform. As providers on the frontlines of our nation's fight against cancer, community oncology practices see firsthand the impact that high cancer care costs have on patient care, access to treatment, and the entire health system.

Since 2002, COA has helped practices participate and succeed in oncology payment reform efforts to make cancer care more affordable and accessible for patients. This includes a deep commitment and involvement in the OCM; the ongoing development of the OCM 2.0, a next-generation, universal oncology payment model; numerous summits and meetings with payers, employers, industry stakeholders, and providers; and extensively supporting and encouraging the involvement of community practices in Federal and commercial insurance payment models and programs.

Reducing Cancer Costs Will Take a Village

COA remains completely committed to comprehensive oncology payment reform, including addressing drug payment, site of service, and other drug cost drivers. These include misguided public policies such as the out of control 340B Drug Pricing Program and abusive pharmacy benefit manager (PBM) rebate schemes.

Cancer care delivered in physician offices is already less costly than the same care when delivered in a hospital outpatient department (HOPD). Studies have concluded that despite similar resource use, all-cause and cancer-related health care costs in hospital settings were significantly higher compared with those in the physician office settings. Nonetheless, community oncology practices are striving to both control *and* lower the costs care.

COA is working closely with Congress and the Administration to propose innovative and meaningful solutions to lower the cost of cancer drugs with evidence-based medicine while controlling patient costs, as documented by COA's payment reform model that includes clinically appropriate utilization management (CAUM) of drugs in conjunction with fundamental changes to the Medicare drug reimbursement system. Indeed, COA's proposal would change Medicare drug reimbursement in a way that protects patient access and physician prescribing autonomy, but also offers an opportunity to realize savings and put downward pressure on drug prices.

Learn More at the Payer Exchange Summit: Bringing it all Together

VIRTUAL PAYER EXCHANGE SUMMIT ONCOLOGY PAYMENT REFORM

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COA's *Payer Exchange Summit on Oncology Payment Reform* series has been dedicated to advancing payment reform in cancer care since first starting in 2014. The Summit series brings together community oncology practices, local and national health insurers, employers, employer coalitions, policymakers, and more to share ideas that will make payment reform a reality.

Since the first Payer Exchange Summit, numerous oncology payment reform initiatives have become a reality in both the public (Medicare) and private sectors. Today the focus of COA and its member practices is to align Medicare, private payers, employers, and cancer care teams into cancer care delivery systems that promote quality, values, and positive outcomes for patients.

COA is pleased to announce that the annual Payer Exchange Summit will return virtually this year on October 27 and 28. This exclusive meeting features the brightest minds and biggest players in oncology payment reform. Attendance to the Virtual Payer Exchange Summit is free and by invitation only in order to ensure meaningful participation. If you are reading this update, chances are that you qualify for attendance.

If you would like to join us, please visit www.payerexchangesummit.com to request an invitation.

Detailed Inventory of Oncology Payment Reform Models

Employer-Based	Model Lead	Presence
	Aetna	Alaska, Arizona, Colorado, Connecticut, Delaware, Florida, Georgia, Illinois, Maryland, Michigan, New Jersey, Ohio, Oklahoma, Pennsylvania, Tennessee, Texas, Vermont, Washington
	Anthem BCBS	Colorado, Connecticut, Ohio, California, Virginia
	Ascension Care Health Partners Gulf Coast	Alabama
	BCBS Illinois	Illinois
	BCBS Michigan	Michigan
	BCBS North Carolina	North Carolina
	BCBS New Mexico	New Mexico
	BCBS Oklahoma	Oklahoma
	BCBS South Carolina	South Carolina
	BCBS New York	New York
	Capital District (CDPHP) Radiation Case Rates	New York
	Care 1st	Arizona
	Cigna	Arizona, California, Colorado, Florida, Maryland, Nevada, New Jersey, New York, Tennessee, Texas, Virginia

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•	Culinary	Nevada
	Fidelis Radiation Case Rates	New York
•	Florida Connections	Florida
	Florida Blue	Florida
	Health Partners	Minnesota
	Horizon BC	New Jersey
	Humana	Alabama, Arizona, Arkansas, Florida, Illinois, Indiana, Kentucky, Louisiana, Michigan, Minnesota, Nevada, North Carolina, Ohio, Oklahoma, Tennessee, Texas, Virginia
•	Integrative Care Partners	Indiana
	Memorial Herman ACO in Texas	Texas
	New Century Health Drug Rebate	Arizona
	Northwest Capitation	Colorado
	OCM (CMMI)	Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Florida, Georgia, Illinois, Indiana, Kentucky, Massachusetts, Michigan, Nebraska, New Jersey, New Mexico, New York, Ohio, Oklahoma, Oregon, Pennsylvania, South Carolina, Tennessee, Texas, Utah, Virginia, Washington, West Virginia, Wisconsin
•	Pera/Best DE2 Radiation	Colorado
	PHP Capitation	Colorado
	Premera Blue Cross	Washington
	Priority	Michigan
	Regence BC	Oregon
	SummaCare	Ohio
	United Healthcare	Florida, Ohio, Oklahoma
	University of Arizona	Arizona
	UPMC	Pennsylvania
	VA Premier Oncology Episodes of Care Program	Virginia

COA would like to acknowledge the valuable McKesson Oncology team for its valuable contributions of data to this effort.

If you are aware of other oncology payment reform models in existence or development that have not been captured in this brief, please share them with us at info@coacancer.org.