

ANCO FAX News

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INTRODUCTION

This *ANCO FAX News Special Edition* introduces the membership to payer provider partnerships, front-end compliance models, and ANCO's two preferred vendors—*Innovent Oncology* and *Via Oncology*. Watch for additional information on this very important subject in the weeks and months to come. ANCO acknowledges the assistance of Dawn Holcombe, *President, DGH Consulting*; Sean Taylor, *Director of Business Development, Western US, US Oncology*; and, Kathy Lokay, *President, Via Oncology* for their cooperation in preparing this *ANCO FAX News—Special Edition*.

ANCO & Payer Provider Partnerships

Over the past several months, the ANCO *Board of Directors* has educated itself and considered its role in **payer provider partnerships**—learning about the available compliance models used by payers and vendors in the payer provider partnership space and exercising its due diligence with respect to the various vendors on behalf of the membership.

It is the consensus of the *Board* that ANCO should take an active but limited role in payer provider partnerships. In summary, **ANCO's role will be limited to informing, educating, and recommending that members proactively take advantage of front-end compliance programs such as *Innovent Oncology* and *Via Oncology* and negotiate payer provider partnerships with their major third-party payers.** ANCO has invited

these organizations to work with ANCO in bringing comprehensive information about their pathways programs and how they have worked with practices and third-party payers to the membership. While the *Board* does not endorse one of these organizations over the other, it does endorse the concept of pathways and front-end (i.e., clinical decision point) compliance models such as those offered by these two organizations over all other models and vendors or potential partners involved in payer provider partnerships.

Five Reasons to Take Action with ANCO's Payer Provider Partnership Strategy

by
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President, DGH Consulting

1. **ANCO Members Need a Strategy.** Managed care payers want oncology solutions that reduce variation and cost. Oncology physicians want stable decision-making in the best interest of their patients, and payer contracts that allow cancer centers and community offices to continue to provide care. But, without a strategy to bring to the table, physicians become vulnerable and ineffective in effecting change or improvements.
2. **Taking Control versus Losing Control.** Payers need to effect changes in oncology management and costs, in response to demands from their customers—the employers. Payers want to work with physicians, but will take action with others

who want to implement their own oncology management programs if physicians are not pro-active. Being pro-active lets you shape solutions instead of being dictated to by a non-oncology vendor.

3. **It is About Medical Decision-Making, Not the Drugs.** Vendors are bringing models to payers that focus on short-term savings in drug control and management. More than 75% of the total payer spend in oncology is not for services or drugs delivered in the physician office (e.g., hospitalization, end-of-life care, diagnostics, imaging, etc). Medical decision-making belongs with the physician, and so physicians should craft solutions that involve medical decision-making, but with an eye toward total cost management for the benefit of the patient and the payer as well. Done correctly, clinical pathways decrease costs in the physician's office, and even more across the entire care continuum.
4. **Compelling Savings Opportunities Lie in Physician Decisions That Go Beyond Drugs and Office Services.** ANCO members engaged in active medical decision-making and payer strategies can find significant savings for payer partners without direct impact on the practice (in diagnostics, reduction of hospitalization, and end-of-life care). Individual practices alone cannot generate noticeable savings, but clinical choices done collectively through payer provider partnerships, can be compellingly effective.
5. **Front-End Compliance Models Best Support Physician Medical-Decision Making in Physician Payer Partnership Models.** Consider the following characteristics present in the *Via Oncology* and *Innovent Oncology* models:

- **Clinical Source and Maintenance:** A viable clinical pathway program must be firmly grounded in evidence-based clinical information and undergo rigorous clinical review by an experienced body of physicians.

- **Pathway Definition:** A true clinical pathway is increasingly clarified as the identification of one preferred treatment for a given state and stage of disease, which has been selected via a rigorous clinical review of the appropriate clinical guideline alternatives, and selected based first upon clinical efficacy, then toxicity

profile, and, lastly, assuming comparability across the first two criteria, cost of treatment. Basically, guidelines can be considered as a multi-lane highway, and pathways are one lane.

A clinical pathway program will always allow physician flexibility to treat with an off-pathway alternative, since there is no one preferred treatment that will be universally applicable to all cancer patients 100% of the time.

The scope of a pathway should include not only chemotherapy infusibles and injectables, but also orals, biotherapies, supportive care drugs, prognostic testing, and ideally also radiation oncology. Clinical trials should always be considered an "on pathway" choice.

- **Point of Clinical Decision-making:** Physician medical decision-making is complex for cancer patients, and involves multiple branches and considerations within a given disease to identify the state and stage of the disease, as well as to think through the many complications of the individual patient's health and physical status. These front-end models protect and support the complexity of physician decision-making.

- **Tracking and Monitoring:** A true clinical pathway program will allow for physicians to select treatment options that are off pathway where appropriate, but track the reasons and causes for such variation as part of the clinical monitoring feedback loop. Reporting and analysis should be available to the physician on a patient and population basis.

- **Documented Ease of Physician Use:** A point of clinical decision-making tool is only as good as the number of times it is used by physicians in active clinical practice. Most physicians who embrace the selection of pathways decide to apply the pathway process to all their patients, making ease of use on one pathway platform across all patients essential.

ANCO is introducing its members to two credible front-end compliance models. In future discussions with payers, ANCO will seek solutions that utilize reporting which could be driven by either system, leaving its members to choose credible models that will compliment their own clinical practice and operations choices.



A SERVICE OF US ONCOLOGY

by

Sean Taylor, Director of Business Development
Western US, US Oncology

With a unique focus on supporting the entire care continuum, *Innovent Oncology*, a service of *US Oncology*, offers ANCO members a comprehensive, physician-driven cancer care solution that enhances the quality and consistency of patient care. ANCO physicians, working with *Innovent Oncology*, can access evidence-based treatment guidelines, proactive patient management services, and advance care planning to create value for patients. This collaborative program, coupled with managed care negotiations, aligns incentives to produce better outcomes and opportunities for enhanced reimbursement.

The foundation of *Innovent Oncology's* program is *Level I Pathways*, evidence-based guidelines that offer ANCO physicians a more precise approach to cancer care compared to other generally accepted guidelines. Developed and used by over 1,000 practicing community-based oncologists from the *United Network of US Oncology*, *Level I Pathways* assist physicians in making treatment decisions for the most commonly treated cancers and provide a consistent basis for delivering high-quality, evidence-based care. Pathways are documented through point-of-care decision support tools that provide a platform for standardization and outcomes measurement.

A joint study between *Aetna* and *US Oncology*, published in the January 2010 peer-reviewed *Journal of Oncology Practice*, evaluated the cost-effectiveness of *Level I Pathways*. The study found that outpatient costs were 35% lower for those patients treated according to *Level I Pathways* while maintaining equivalent health outcomes. An independent study by *Milliman*, an international actuarial and consulting firm, further validated the results regarding the effectiveness of *Level I Pathways*.

Innovent Oncology provides services to ANCO physicians that extend beyond the physician's office to support patients between treatments. *Patient Support Services* (PSS) offers ANCO

physicians the ability to provide personalized patient support and education between office visits to increase adherence to treatment plans and reduce emergency room visits and hospitalizations.

Advance Care Planning (ACP) assists physicians in preparing patients for disease progression and documents patient treatment preferences, including palliative care and hospice. Working with ANCO physicians, specially trained nurses facilitate open, frank conversations with the patient and his or her family to explore, understand and document the patient's preferences for care. This proactive approach empowers patients, and increases understanding and satisfaction with care, while reducing stress on caregivers and family.

Innovent Oncology's comprehensive approach to managing cancer care led to a recent contract with *Aetna* that allows physicians to share in savings achieved by meeting qualitative measures in addition to fees received for medical services. The contract to support members in Texas who have been diagnosed with cancer is expected to expand to additional states, including California, throughout 2011.

This collaboration is another example of *US Oncology's* ability to support physicians in creating pay-for-performance opportunities. Currently, 60% of network physicians at *US Oncology* participate in pay-for-performance contracts impacting 6.2 million lives.

The nation's leading integrated oncology company, *US Oncology*, unites the largest community-based cancer treatment and research network in America. Headquartered in The Woodlands, Texas, *US Oncology* is affiliated with more than 1,300 community-based oncologists, and works with patients, payers, hospitals, and the medical industry across all phases of the cancer research and delivery system.

For more information on *Innovent Oncology*, please visit www.innoventoncology.com.



by

Kathy Lokay, President, Via Oncology

Via Oncology (www.viaoncology.com), a subsidiary of the *University of Pittsburgh Medical Center* (UPMC), is the cancer value management solution for oncologists, health systems, and payers. *Via Oncology Pathways* are evidenced-based, comprehensive, clinically precise, rigorously developed, and expertly managed clinical algorithms that standardize best practice cancer treatment, optimize patient outcomes, minimize toxicities, and promote efficient resource utilization—and proven on the front lines of oncology practice. Studies have shown that they can reduce the total cost of cancer care, not just pharmaceuticals. *Via Oncology Pathways* reflect five years of development by oncologists at UPMC and ongoing refinement by committees representing UPMC and oncology groups across the country that have adopted them. Every quarter, fifteen disease-specific committees of academic and community-based physicians convene to review and revise the *Pathways* based on their independent evaluations of the most recent scientific evidence. After evaluating the findings of Phase II and III peer-reviewed studies, the disease experts on each committee define the single best treatment for each state and stage of disease according to a hierarchy of efficacy first, toxicity second, and lastly cost (if efficacy and toxicity are comparable).

Oncologists have been using the *Pathways Portal*, a web-based decision support system, to bring evidence-based medicine into daily practice since 2006. It enables them to apply the *Pathways* in real time and select the best treatment for each individual patient based on state and stage of disease. With the flexibility to select treatments outside of a *Pathway*, the best scientific evidence informs and guides treatment but never supplants the clinical expertise and experience of physicians who apply the evidence to the clinical state and condition of each patient. In addition, practice-specific clinical trials are presented for appropriate patients and always counted as “on pathway.” Not only does *Via Oncology* put the

best evidence into the *Pathways*, the *Pathways Portal* puts the evidence at oncologists’ fingertips. The system includes citations, links to full text articles, reference documents, and dose modification guidelines from the original studies upon which the *Pathways* are based. Easy access to chemotherapy order sets and relevant patient education materials saves time. And real-time interfaces to scheduling in practice management systems and to EMRs make the application of *Pathways* practical and efficient.

Finally, *Via Oncology’s* success with bringing health plans into collaboration with oncologists is highly leverageable into new markets with established models for creating clinical integrated networks and participating in gain share from savings. We currently have over 180 oncologists using the *Pathways Portal*, with 45 additional oncologists contracted to go live before the end of 2010, and we have successfully launched a funded pilot with *Horizon Blue Cross/Blue Shield* of New Jersey to begin the implementation of *Via Oncology Pathways* with several leadership oncology practices in New Jersey and utilized the clinically integrated network model to successfully contract with payers and practices in Pennsylvania. Every practice is different and every payer market is unique, demanding a consultative approach to constructing partnerships around pathways. *Via Oncology’s* flexibility and belief in complete transparency creates a number of options as it relates to helping with the collaboration between payers and practices.

The future belongs to oncology groups that can standardize the adoption of evidence-based therapies, thus optimizing patient outcomes and efficiently utilizing healthcare resources for patients and payers alike. A strict no-pharma-funding policy and the not-for-profit status of UPMC diminish conflicts of interest and keep *Via Oncology’s* mission clear. The company is focused solely on oncologist-led clinical pathways that help oncologists and payers collaborate to ensure the best possible cancer care at sustainable costs. Consistent, evidence-based care, excellent outcomes, and sustainable cost management—that’s the *Via Oncology* solution.

Visit www.viaoncology.com/news.php to review *Via Oncology’s* perspective on oncologist-led solutions to cost and quality issues in cancer care.