

ASCO's Patient-Centered Oncology Payment Model

ASCO'S PCOP: A PATH TO VALUE-BASED CARE IN ONCOLOGY

The ASCO Patient-Centered Oncology Payment (PCOP): Community-Based Oncology Medical Home Model is a practical solution for improving the quality of cancer care while lowering costs—and is a patient-centered approach for practices, payers, and other stakeholders to move from fee-for-service to value-based care.

ASCO'S MODEL
TRANSFORMS CANCER CARE USING

3

PRIMARY APPROACHES

- 1 Improved care delivery and coordination through an **oncology medical home framework**, which improves outcomes and reduces costs
- 2 A performance-based reimbursement system that relies on patient-centered standards and **may transition to bundled payments**
- 3 Use of **clinical pathways** that adhere to ASCO criteria to consistently deliver high-quality care

WHY IS PCOP NEEDED?



EMPLOYERS AND HEALTH PLANS

THE CHALLENGE

Cancer care costs are steadily rising, straining the health care system

\$87.8 billion

TOTAL cancer care expenses in the US in 2014¹

41% INCREASE in total cancer care expenses from 2004 to 2014^{1,2}

\$15,535

The average monthly cost of cancer drug therapy in 2015³



THE SOLUTION

PCOP offers a powerful way to incentivize quality and constrain costs



PROVIDERS

THE CHALLENGE

Shifts in the health care landscape are putting unprecedented demands on cancer care providers

58%

of providers reported payer pressures as their top concern⁴

16

hours of weekly staff time per physician consumed by completing prior authorization requirements⁵

THE SOLUTION

PCOP enables a successful transition to value-based systems



PATIENTS

THE CHALLENGE

Consistent quality standards are needed to ensure patient access to high-quality, high-value care



HALF OF PATIENTS report experiencing delays in starting cancer treatment⁶

ONLY

46%

of patients reported receiving social or emotional support services⁶

THE SOLUTION

PCOP offers access to an enhanced patient experience and state-of-the-art cancer care

KEY COST SAVINGS THROUGH PCOP

Adherence to high-quality clinical pathways provides significant savings:

Increasing on-pathway drug selection cuts drug costs by^{7,8,9,10}

5-37%

Compliance with pathways lowers supportive care drug, diagnostic, and hospitalization costs^{11,12}



UP TO 51%

of avoidable hospital admissions are reduced through the use of oncology medical homes like PCOP¹³

ASCO's real-world modelling projects that PCOP could cut costs by up to **8%** across the healthcare system.¹⁴

ASSOCIATED CONTENT

See accompanying editorial on page 228 and accompanying articles on pages 253 and 263

DOI <https://doi.org/10.1200/OP.20.00179>

A COMMUNITY-WIDE APPROACH



**ONCOLOGY
MEDICAL
HOMES**

Emphasize **team-based care**, with clear position descriptions, roles and responsibilities for all team members.



**PCOP
COMMUNITIES**

Are **multidisciplinary networks** of oncology providers and practices; federal, state, and private payers; employers; and regional health networks—aligned to support patient-centered cancer care within a defined geography.

The PCOP model guides the formation of these communities.



**THE PCOP COMMUNITY-BASED
ONCOLOGY MEDICAL HOME**

Offers **high-quality cancer care in a community of stakeholders**. PCOP's approach provides the following benefits, among others:

- **Consistent care** through a single compendium of clinical treatment pathways and other care guidelines
- **Standardized metrics** to measure and share performance
- **Reduced administrative burden** through a shared quality measurement platform, clinical treatment pathways, pooled data analysis, and other support services
- **Increased coordination** between all stakeholders

PCOP WORKS FOR PRACTICES AT ANY STAGE OF TRANSITIONING TO VALUE-BASED CARE

PCOP HAS TWO TRACKS FOR PRACTICES TO FOLLOW BASED ON WHERE THEY ARE IN THE TRANSITION TO PROVIDING VALUE-BASED CARE

**CARE DELIVERY
REQUIREMENTS**

**TRACK
1**

**FOR PRACTICES
NEW TO VALUE-BASED CARE**

Practices must meet basic standards for:

- ✓ Patient Engagement
- ✓ Access To Care
- ✓ Comprehensive Team-Based Care
- ✓ Quality Improvement
- ✓ Safety
- ✓ Use of Certified EHR Technology

**TRACK
2**

**FOR PRACTICES
MORE EXPERIENCED IN VALUE-BASED CARE**

Includes more advanced care delivery requirements for:

- ✓ Patient Engagement
- ✓ Access To Care
- ✓ Comprehensive Team-Based Care
- ✓ Quality Improvement
- ✓ Safety
- ✓ Use of Certified EHR Technology

**CONSOLIDATED
PAYMENTS**

Practices continue to receive typical **fee-for-service reimbursement** in addition to care management amounts.

PCOP communities may choose to participate in **Consolidated Payments for Oncology Care (CPOC)**:

- Practices may elect to bundle either 50% or 100% of the value of specified services
- 90% of bundled amounts will be guaranteed under Consolidated Payments for Oncology Care
- 10% of bundled amounts will be subject to performance adjustments based on practices' Aggregate Performance Scores

Practices in Track 1 are expected to advance to Track 2 within two years.

**TO PARTICIPATE IN OR LEARN MORE ABOUT PCOP,
CONTACT ASCO'S CLINICAL AFFAIRS TEAM AT:**

CLINICALAFFAIRS@ASCO.ORG

To read the full
PCOP model, visit:
<https://practice.asco.org/paymentreform>

REFERENCES: 1. Agency for Healthcare Research and Quality. Total Expenses and Percent Distribution for Selected Conditions by Source of Payment: United States, 2014. Medical Expenditure Panel Survey Household Component Data. Generated interactively. (August 29, 2018). 2. Agency for Healthcare Research and Quality. Total Expenses and Percent Distribution for Selected Conditions by Source of Payment: United States, 2004. Medical Expenditure Panel Survey Household Component Data. Generated interactively. (August 29, 2018). 3. Saluja R, Arceneo VS, Cheng S, et al. Examining Trends in Cost and Clinical Benefit of Novel Anticancer Drugs Over Time. *J Oncol Pract*. 14:e280-e294. 4. Kirkwood MK, Hanley A, Bruinooge SS, et al. The State of Oncology Practice in America, 2018. *J Oncol Pract*. 14:e412-e420. 5. American Medical Association: Health Care Coalition Calls for Prior Authorization Reform. <https://www.ama-assn.org/health-care-coalition-calls-prior-authorization-reform>. 6. Cancer Support Community. Access to Care in Cancer 2016: Barriers and Challenges. 7. Shah S, Reh G. Value-based payment models in oncology: will they help or hinder patient access to new treatments? *Am J Manag Care*. 23(5 Spec No.). SP188-SP190. 2017. 8. Kreys ED, Koeller JM. Documenting the benefits and cost savings of a large multistate cancer pathway program from a payer's perspective. *J Oncol Pract*. 9(5). e241-e247. 2013. 9. Jackman DM, Zhang Y, Dalby C, et al. Cost and survival analysis before and after implementation of Dana-Farber clinical pathways for patients with stage IV non-small-cell lung cancer. *J Oncol Pract*. 13(4). e346-e352. 2017. 10. Hoverman JR, Neubauer MA, Jameson M, et al. Three-year results of a Medicare Advantage cancer management program. *J Oncol Pract*. 14(4). e229-e237. 2018. 11. Neubauer MA, Hoverman JR, Kolodziej M, et al. Cost effectiveness of evidence-based treatment guidelines for the treatment of non-small-cell lung cancer in the community setting. *J Oncol Pract*. 6(1). 12-18. 2010. 12. Gautam S, Sylwestrzak G, Barron J, et al. Results from a health insurer's clinical pathway program in breast cancer. *J Oncol Pract*. e711-e721. 2018. 13. Sprandio JD, Floudeers, BP, Lowry M, Tofani S. Data-driven transformation to an oncology patient-centered medical home. *J Oncol Pract*. 9(3). 130-132. 2013. 14. ASCO analyzed records of 2,865 patients treated in the state of Maine between October 2015 and December 2017, as provided by the Maine Health Data Organization.

ASCO
AMERICAN SOCIETY OF CLINICAL ONCOLOGY