Protecting the Future of Oncology Care – A Community Conversation

Presentations by:

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Sponsored by the Business Health Care Group (BHCG)
&
Genentech

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Briggs & Stratton Auditorium

Executive Summary

Representatives of employers, providers, brokers and BHCG strategic partners gathered on October 28 at Briggs & Stratton to hear from a wide variety of industry experts to better understand the current challenges, thoughts and opportunities that affect cancer care in the southeast Wisconsin market. The morning was moderated by **Clifford Goodman, PhD, senior**

vice president of The Lewin Group. The following are key takeaways from each of the four speaker's presentations and a panel discussion that concluded the morning.

James Thomas, MD, PhD, Medical Oncologist, Medical College of Wisconsin – ***Shared Decision Making: Getting Patients to the Right Diagnosis and Treatment Plan***

Background

- While cancer death rates are declining, more than one million new cancer cases are expected to be diagnosed this year
- As baby boomers age there is expected to be a nearly 50 percent increase nationwide in the number of cancer patients between 2000 and 2020
- About half a million people are expected to die of cancer this year—more than 1,500 people a day. It is the second leading cause of death, exceeded only by heart disease.
- There will be approximately 11,000 cancer deaths in Wisconsin this year
- It is important to understand that cancer affects us all, whether we have it, care about someone who does, or worry about getting it in the future

Targeted and personalized cancer therapy – the future is now

- Take into account a patient's genetics and tumor dependencies to develop personalized cancer therapy
- Some cancer drugs work in only a small number of patients. Need specific genetic testing to make sure the right drug is given
- Targeted therapies are a game changer, resulting in significant increases in survival rates for some patients

Cancer clinical trials – critically important

- Clinical trials translate results of basic scientific research into better ways to prevent, diagnose and treat cancer. The more people that participate, the faster and better treatments can be developed and cancers prevented
- Unfortunately, only three percent of U. S. adults with cancer participate in clinical trials, far fewer than the number needed to answer pressing cancer questions quickly
- Research and clinical trials can decrease cancer costs – the most expensive treatment is the one that doesn't work

Developing a treatment plan

- A treatment plan should be evidence-, patient- and tumor-based
- There are 18 possible frontline chemotherapy options for colon cancer as established by the National Comprehensive Cancer Network (NCCN) guideline on this type of cancer. The right plan must be individualized to the patient.

Shared Decision Making (SDM) – the patient as part of the team

- Discussions with patients should include:
    - Risks, side effects, benefits and financial implications of treatment options

- Palliative care and end-of-life planning options at the outset of treatment
- SDM decreases patient anxiety, increases patient knowledge and confidence in decisions, yielding a more actively engaged patient with accurate expectations consistent with their personal preferences

Costs of cancer care

- Medications that are newly approved by the FDA can cost more than $100,000/year, though in many cases they result in only small incremental benefits
- One-quarter of cancer patients report depleting their savings and cancer patients are twice as likely to go bankrupt
- Pricing of cancer drugs often seems to be irrational and lacks transparency; it appears to be based primarily on what the market will bear
- Given the size of the U.S. market and that drug prices are generally higher in the U.S. than in other world markets, the U.S. accounts for a disproportionately high share of R & D costs of the worldwide pharmaceutical industry

If Dr. Thomas were "Cancer Czar:"

- Medicare would be allowed to negotiate drug prices
- World composite drug prices would be developed
- Clinical pathways would be instituted for all cancers
- Oncologists would not be paid based on how much or little chemotherapy they deliver

Slides from Dr. Thomas' presentation are available for review.

Sarah Cooper, Sr. Director of Operations, Oncology Line of Services, UnitedHealthcare (UHC) – *Learning How to Make cancer Care More Affordable*

Health care costs – we have to do something

- Out-of-pocket health care and premium costs consume more and more of a family's household income
- A measure of American's financial fragility: One quarter of households reported they *certainly* could not come up with $2,000 within 30 days. That percentage grows to 50 percent when you add people that reported they *probably* couldn't come up with $2,000 within 30 days.

UnitedHealthcare's four guiding principles for cancer care

- Obtain a fair price for services
- Use evidence-based coverage (UHC often relies on NCCN guidelines) and quality programs
- Use data to identify opportunities to improve care and make it affordable – UHC has over 100,00 cancer patients in their registry
- Create access to personalized information for patients and providers

Episodes payment pilot program

- UHC has developed a partnership with five volunteer oncology programs around the country to test alternative ways to pay for cancer care
- Rewards physicians for improved quality and total cost of cancer care management
- Ends dependency on drug sales which now can constitute up to 70 percent of an oncologist's income if based on profit from drug sales
- Focuses largely on these prevalent cancers: breast, colon and lung
- The program is designed to be budget neutral (providers get the same amount of reimbursement)
- Results:
  - Although there was a 179 percent increase in chemotherapy costs, there was a 34 percent reduction in total medical costs
  - Patients got the right (i.e., most effective for them) drugs
  - The 34 percent reduction in total costs was the result of patients having fewer bed days, ER visits and radiology services
- Pilot program is expanding to six additional sites this year which will quadruple the number of eligible patients

Bundles payment pilot program

- Working with MD Anderson Cancer Center, focused on head and neck cancers
- A single payment covers the entire year and rewards quality because a provider's profits increase with:
  - Fewer complications
  - The elimination of unnecessary tests and procedures
  - Improved coordination among specialists
- Eight different payment bundles have been created for testing

Summary

- Cancer care costs must come down
- As quality improves, costs will come down
- Risk will shift to providers, on a limited basis, to provide quality care
- Collaboration is essential

Brent Eberle, RPH, MBA, Sr. Vice President, Health Strategies and Chief Pharmacy Officer, Navitus Health Solutions – *Pharmacy Benefit Management in Oncology*

Defining Specialty Drugs

- No universally agreed upon definition, but most agree specialty drugs are:
  - Significantly higher in cost than traditional medications: account for 1-2 percent of claim volume, but 20-25 percent of cost
  - Taken by relatively few people who have complex conditions
  - Complex to manufacture, requiring special handling and administration with limited distribution channels

Growth of Specialty Drugs

- Specialty drug spending is projected to quadruple from 2012 to 2020
- Beginning in 2010, the number of specialty drugs approved by the FDA exceeded the number of traditional drugs approved
- Costs of some specialty drugs have risen considerably over the past few years (e.g., price for Gleevec has almost tripled over the past seven years)

Utilization Management Toolkit

There is no silver bullet for managing drug utilization and costs. Navitus uses a combination of utilization management tools including:

- Formulary and rebate management
    - Identifying products that provide the best value
    - Tiering of drugs based on value and benefit plan design
    - Utilizing manufacturer rebates to offset costs
- Prior authorization/step therapy/quantity limits
    - Ensure consistency with FDA-approved usage and treatment guidelines
    - Use lower cost drugs initially when appropriate
    - Split fill programs to avoid waste (less than 50 percent of patients make it through a 90-day supply of a drug)
- Utilize reporting to
    - Trigger notification to case management
    - Identify outlier claims
    - Identify potential fraud, waste and abuse
- Drug therapy management – use of clinical pathways
- Pharmacy network management – use of preferred specialty pharmacies
- Plan/benefit design
    - Adjust copays, deductibles, and out of-pocket maximums, etc.
    - Utilize multiple formulary tiers and specialty tiers
    - Mandate use of preferred specialty pharmacy networks

Specialty Pharmacies

- Substantial increase in the pharmacies calling themselves a specialty pharmacy nationally in the last seven years
- Any pharmacy can claim to be a specialty pharmacy, but URAC (formerly, the Utilization Review Accreditation Commission) now accredits specialty pharmacies and increasingly payers are demanding accreditation

Slides from Brent Eberle's presentation are available for review.

Lynn Zonakis, Principal, The Zonakis Group – *Employer Perspectives on Cancer Management*

Lynn Zonakis, formerly the managing director, health strategies and resources with Delta Air Lines, shared Delta's strategies for managing cancer in the workplace.

Why the focus on cancer?

- At Delta Air Lines cancer always ranks in the top three conditions for trends and costs, with 16 percent of overall health plan costs attributable to cancer care
- Cancer pharmacy spend at Delta Airlines is approaching 20 percent of the total pharmacy spend

An Employer's Guide to Cancer Treatment and Prevention

- The toolkit for employers was a collaboration between the National Business Group on Health and the NCCN
- The Guide contains six tools designed to assist employers in designing and providing benefits, resources and programs around cancer care

Pharmacy, medical and benefit recommendations from the Toolkit and Delta Air Lines

- Out-of pocket thresholds should not pose a barrier to obtaining care
- Plans should cover evidence-based treatments
- Benefit plan should establish parity of patient cost sharing between medical and pharmacy benefits
- Specialty pharmacy programs should counsel beneficiaries
- Benefit plan should include hospice coverage and beneficiaries should have access to clinicians trained in palliative care and end-of-life care issues
- Beneficiaries should have coverage for residential services when hospitalizations are not warranted
- Plan should cover standard fertility preservation treatments when cancer care may cause infertility
- Plan should offer cancer care management program, staffed by oncology nurses to assist beneficiaries
- Plan should offer information and resources to beneficiaries on topics individuals may need to consider when diagnosed with cancer

Employee communication – critically important

- Delta utilized a variety of communication media (online and home mailing newsletters, health flyers, intranet information, emails, etc.) to communicate with employees about:
    - The availability of cancer resources services and support
    - The importance of prevention
    - A Centers of Excellence program for cancer treatment
    - The availability of health fairs

Slides from Lynn Zonakis' presentation are available for review.

A Call to Action: Panel Discussion

The panelists included the four presenters from earlier in the morning along with **Sara Planton, RN, BSN, CCRC, director, clinical trials at Aurora Research Institute at Aurora Health Care.**

Topics discussed included:

- Question: Why are only three percent of cancer patients in clinical trials?
    - There needs to be more education about clinical trials. People don't understand that clinical trials are not "experimental," (which has a negative connotation to many patients) they are "investigational" into ways to determine what works best.
    - Clinicians are not reimbursed for the effort involved in enrolling patients in clinical trials. Need to consider reimbursing clinicians for this work.
- Is there any relief on the horizon for skyrocketing specialty drugs?
    - Biosimilars (generics for specialty drugs) could prove helpful in bringing down prices in some cases
    - Transparency and more explicit attention to determining value can help to rationalize drug costs
- How can the southeast Wisconsin region improve cancer patient outcomes?
    - Collaboration among provider groups to do the best for patients
    - Benefit design changes (e.g., cover hospice care and the administration of chemotherapy in hospice)
    - Use data to develop value-based benefit designs
    - Use technology to share best practices
    - Focus on educating cancer patients and assisting them in navigating the health care system

Attendee Survey Results – "Time well spent"
Following the event, a brief survey was sent to attendees asking them about the program and its usefulness. The results clearly demonstrated the event was extremely well-received by survey respondents. For example:

- Presenters, including the moderator were rated as excellent or good in terms of value of the content and delivery by approximately 90 percent of the respondents
- All respondents said yes, when asked whether they found value in the panel discussion
- All respondents said they thought their time was well-spent
- Ninety percent said the event was either very valuable or extremely valuable