Member-centered cancer care in Georgia

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- > One half million Aetna medical benefit members in Georgia
- #12 nationally for Aetna in office based oncology cost spend
Aetna Values & Oncology Solutions
Mission Statement

Aetna Oncology Solutions – Mission Statement:

We give our members access to high-value, personalized cancer care models. We collaborate with oncology teams that deliver best-in-class care by using evidence-based medical guidelines, clinical decision support tools and services that improve the patient’s experience, increase effectiveness of care and lower costs. Our value-based approach, powered by data analytics and transparency of policy and payment, allows us to move from a fee-for-service platform to a value-driven system that rewards Oncology practices for quality care throughout the patient’s care journey.
The principles of our strategy are simple

- **Drive efficient use of evidence-based medicine**
  - Leverage technology platforms that provide content and workflows
  - Integrate those platforms into the Aetna and provider systems
  - Simplify the administrative processes for providers
  - Improve the care experience for the members with cancer

- **Avoid waste and misuse of medical services**
  - Align provider incentives, which includes transparency & reporting (e.g., Oncology Medical Home),
  - Improve network configuration (narrow, tiered) to drive improved cost and quality
  - Implement better decision support strategies
  - Provide improved patient support in active treatment and care transitions

- **Leverage and integrate the many current (and future) medical and pharmacy and HIT cancer-care initiatives**
  - Create a seamless, end to end clinical treatment experience for Aetna members and providers
We assess overall value in oncology care based on total cost of care and care experience evidence

\[ V = \frac{Q}{C} \]

- Guideline Based Therapies
- Targeted Impact
- Low Toxicities
- Improved Survival
- Improved QOL

- Best Supportive Care
- Avoidance Hospital Days
- Avoidance ED Visits
- Site of Service Costs ↓
- Medically Unnecessary Care ↓ at EOL
We’re here to help you manage all the forces at play / key cost drivers

Effective oncology management can help mitigate the impact of rising costs

At stake are the results of good oncology management

Medical Advances  Technology  Inefficient Care & Use of Services

Quality of Care  Productive Return to Work & Wellness  Overall Value

Can drive access and care choices
Aetna collaboratively supports the oncology practice world’s needs

### Aetna supports moving up the pyramid

- **Transformative**
  - Nirvana
  - Measurable clinical outcomes

- **More**
  - Better patient service aspects of practice

- **More Collaboration**
  - Improving office operational efficiency, time and FTE’s

- **Less Value Creation**
  - Managing to stay in business and the ability to keep revenues > expenses

- **Less**
  - Value Creation

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- Population-Based Mgmt, Steerage
- Preferred Network Status
- Detailed QI Reporting, Benchmarks
- Oncology Medical Home Contract
- Additional Tools (Pt. Satisfaction Reporting, etc.)
- Improved Pre-cert process
- Basic Resource Use Reporting
- Clinical Decision Support Contracts
- Enhanced Generic Fees
- FFS contract
- Par Network Status

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*Foundational*
Oncology and where we’ve been with pilots, 2010-2013: P4V programs, contracted on case rate basis, only managing new Dx (incidence) and new chemo starts

Cardinal/P4 Pilot in MD, DC, N. VA had net savings of $393,599 included in reduced ER visits, in-patient hospital stays and spend on certain drugs

Innovent Pilot in TX (commercial pop. only) demonstrated 12% savings in breast, lung, colon cancer, net savings to Aetna of > $3500/case

- Aetna oncology pilot study with 156 physicians in 7 locations
- 11% increase of generic only utilization
- 28% Treatment variability reduced

- Aetna oncology pilot study with > 200 physicians across TX
- Avg. in-patient hospital days

Control • Innovent group
We have the capabilities to equip oncologists with the tools to succeed in the new world

Oncology Medical Home Solution

Care Management Support
- Optimal Staffing Model to provide leverage and coordinate care

Financial Alignment
- Value based contracting and benefit steerage to drive adoption

Information Technology
- Clinical decision support tools to optimize care plan
- Automated prior-authorization to reduce administrative burden

Provider Tools
- Oncology-tailored patient applications to support patients

Patient Tools
- IT platform for care transitions and holistic view of patients and multi-payer usages
Aetna Oncology Medical Home payment for oncology care means growth instead of shortfall

Current Fee for Service Model

Future Fee for Service Model

Revenue Gap (e.g., private payer and CMS induced)

Invest in New processes

Changes in pre-cert model alter FTE's

Enhanced drug fee schedule

HIT Office workflow efficiencies

S-codes for quality processes that have meaning

Shared Savings on improvement from baseline outcomes

Growth

Sustainable Future Performance

*Ultimately, this becomes a better “reset” baseline for episodes and/or bundles

Our goal is to create a sustainable business model designed around new sources of value that will be resilient through and post health care reform.

*Diagram is illustrative and for discussion purposes only
Enabling providers to focus on the right outcomes for better results

**MEASUREABLE METRICS**
- Adherence to NCCN guidelines/pathways
- Chemo-related hospital admissions
- Chemo-related ER visits
- Cancer patients with clinical or pathologic staging prior to 1st course of treatment.
- Chemotherapy patients with performance status on the day of treatment
- Received self-management resources/materials
- Stage IV patients with end-of-life care discussions
- Patients introduced to Advance Care Planning and facilitation

**RELevant Outcomes**
- Reduced avoidable hospitalizations and total bed days
- Reduced avoidable ED visits
- Improved usage of evidence based medicine with documented compliance
- Efficient drug regimen usage
- Enhanced communication/patient education
- Coordination and easy patient access to care for same day visits
- Enhanced patient understanding of therapeutic intent of therapy and life planning capabilities

**Technology Enabled**
- Clinical decision support technology
- Standardized reporting for continuous quality improvement at the office level
- Oncology PCMH toolkit
- Tight linkages to Aetna’s oncology care management program
- Additional revenue opportunities through pay-for-value contracting and oncology PCMH arrangements
Oncology Medical Home (OMH) programs and vendor P4V programs work together to segment and serve oncology marketplace.

There is a solution for every market segment bucket, in order to gain maximum impact.
Implementation and Measurement of Adherence to Clinical Pathways is the glidepath to move providers up the value chain

Vendor based programs introduce Clinical Pathways and Measure Adherence along with Quality Measures

Smaller Practices work with Education Oncology programs such as NJ ION program

More sophisticated Practices move from vendor based Clinical Pathways programs to Oncology Medical Homes (OMH)

Create episode and bundling methodology test with OMH, as well as deployed in ACO

OMH deployed in 65% of markets and ACOs by 4Q15

Provider engagement Index

Low Touch

High Clinical Engagement

High Touch

Some Clinical Engagement

More Clinical Engagement

High Clinical Engagement

Cardinal, New Century Health, Innovent

OMH, ACOs, Bundles
We’re using proven logic to create innovative cancer care management programs as well

**FUTURE VISION** for Aetna’s Oncology Management Program
*Reaching members early, serving members throughout their treatment*

**Holistic, personalized approach to care**
- Improved treatment compliance
- Mitigation and control of side effects
- Reduction/avoidance of treatment related complications
- Focused education for member and caregivers

**Network optimization**
- Promote use of appropriate therapies and in-network providers
- Steerage to best-in-class facilities

**Effective case management when it matters most**
- Comprehensive needs assessment including medical, nutritional, behavioral health for member as well as caregivers
- Efficient and appropriate utilization of benefits
- Access to hospice care as needed
- Care and resource coordination – access to community and other support group networks
- Connection to Aetna’s Compassionate Care Program for comprehensive end-of-life needs
We identify and support members at the most critical point in their treatment

More cancer patients captured earlier for better health and financial outcomes
Employing network design to encourage utilization to preferred providers

Three tiered oncology network with greatest benefit for using preferred tier

**LEVEL A**
In-network oncologist that is using a CDS platform and/or is QOPI certified

**LEVEL B**
In-network oncologist using CDS platform and is certified OPCMH (when available)

- **In-network oncologists**
  - Fee for service plus P4P payment
  - Member pays 10% coinsurance
  - Modified fee for service plus P4P payment
  - Member pays 20% coinsurance

- **Out-of-network oncologists**
  - Fee for service
  - Member pays 50% coinsurance

*Note: coinsurance numbers are theoretical and for example only*
Member steerage / plan benefit design will be part of the longer term Solution Delivery

<table>
<thead>
<tr>
<th>Benefit design</th>
<th>Coinsurance level</th>
<th>Tiered networks</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Tier three</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-participating oncologist</td>
<td>Member pays 50%</td>
<td></td>
</tr>
<tr>
<td><strong>Tier two</strong></td>
<td></td>
<td></td>
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<tr>
<td>In-network oncologist</td>
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<td></td>
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<td><strong>Tier one</strong></td>
<td></td>
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<tr>
<td>In-network oncologist using preferred Health Delivery System (when available)</td>
<td>Member pays 10%</td>
<td>Lowered premiums or only option for certain network products</td>
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An important component of overall approach is to systemically study the clinical and cost outcomes of cancer care management.
Can serve ACOs looking for oncology partners

1. Hospital contracts with Aetna to provide Medical Home solution to its network oncologists

2. Tools enable ACO to benchmark community practices

3. ACO engages oncology practices in shared savings arrangements or episode based reimbursement
Can prepare oncology practices for life in an ACO model

Enablement of oncology-specific component for ACOs

1. Aetna contracts with community oncology practices to become medical homes
2. Aetna leverages ACS to facilitate relationships between enabled oncology practices and ACOs
Accountable Care | Oncology PCMH
3 capabilities determine long-term success

Execution of these elements will bring success to triple aim goals of cost efficiency, clinical quality improvement, pt. satisfaction

• Clinical Decision Support
  – Software to inform oncologist on combination of drugs used and the sequencing of how they are given
  – Appropriateness of when to begin treatment and when to discontinue treatment
  – A new line of therapy is generally used when a pathway did not meet clinical outcomes or the cancer progresses

• Care Management Support
  – Patient education on side-effect management during active treatment
  – “Emergency Plan” allows for reduction in inpatient hospitalization and ED visit resource use
  – Strong network steerage arm to navigate members through an integrated delivery system of care; lab, radiology, XRT

• EOL and Palliative Care
  – Facilitated by physicians using Clinical Decision Support and nursing/SW Care Management Support
  – Bolstered by Social Networking tools
  – Understanding Hospice network and forming partnerships with oncology practices will be critical
Other aspects of Aetna’s approach to cancer care

Programs launched or in development

2013

-value based contracting, using clinical decision support vendors

2014

-oncology medical home’s

2015

-oncology care management

-radiation oncology vendor contracting

2016

-cancer specialty hospital contracting

-specialty rx split fill program

-genomics testing partnership(s)

-episode payments
Let’s have a collaborative approach by all stakeholders, to prevent our already fragile system from tearing itself into pieces.