CMMI's New Oncology Care Model: Is It Right For Your Organization

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Today's Speakers

- Michael L. Blau
  - » OCM Introduction/Overview
- Kavita Patel, MD, MS
  - » OCM Practice Requirements & Evolving Issues
- Ronald Barkley, MS, JD
  - » OCM Economics & Application Process

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OCM Introduction

- Oncology Care Model is another CCMI payment initiative for participating oncologists/medical groups and payers to advance the Triple Aim
  - » Comprehensive ESRD Care Model
  - » Chronic Care Management Program
  - » Transforming Clinical Practices Initiative
  - » Transitional Care Management Program
  - » ACO/Medicare Shared Savings Program
  - » Medicare Care Choice Model
  - » Bundled Payment for Care Initiative

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OCM Introduction (cont.)

- 5 year episode of care (EOC) program applicable to high volume cancers (expected to cover 90% of cancer types)
  - » Medicare FFS program as part of a multi-payer model—applies to physician practices and PSA arrangements for provider-based services; does not apply to PPS exempt cancer hospitals
  - » Medicare pays $160 per beneficiary per month (PBPM) for a six month EOC ($960 per EOC), plus a retrospective performance based payment
  - » In addition to Medicare FFS payment

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OCM Introduction (cont.)

- » Starts with initial chemo admin claim or initial Part D claim for chemo drug for cancer treatment (other than topical formulations), including hormonal Tx
- » If treatment ceases in less than 6 mos, PBPM payment continues
- » If treatment extends beyond 6 mos, can re-initiate a new 6 mo EOC

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OCM Introduction (cont.)

- Performance based payments (semi-annual)
  - » Based on meeting applicable quality measures (preliminary set specified) – "performance multiplier" determines % of performance-based payment
  - » Based on reducing costs, with a cap set at 20% of benchmark
    - Costs include all historic medical costs associated with the practice's patients (Part A, B and certain Part D costs)
    - Can be "pooled" with other practice(s) for a combined benchmark/target

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OCM Introduction (cont.)

- Risk adjusters have not been finalized
- No downside risk for 2 years, with 4% discount/minimum savings rate
- Option to elect downside risk starting PY3, with 2.75% discount/minimum savings rate
  - Financial responsibility for costs in excess of cost benchmark/20% cap
  - Can switch between Tracks semi-annually

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OCM Introduction (cont.)

- No performance payment until savings exceed PBPM payments
- OCM participation terminates if don't qualify by end of PY3

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OCM Introduction (cont.)

- Participant eligibility—all practitioners in group who prescribe chemotherapy must apply/participate
  - » Cannot bill for CCM or TCPI program services for OCM beneficiaries; return of ACO/MSSP savings attributable to OCM
  - » Participants must meet 6 other "practice requirements," similar to oncology medical home standards

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OCM Introduction (cont.)

- Participant selection/factors
  - » At least 100 practices; 175,000 care episodes over 5 year model
  - » Diversity of size, geographic distribution and population
  - » Aligned with other payers that enter into MOU with CMMI to participate in OCM—to lever opportunity to transform care for onclogy patients across a broader population
    - Commercial payers, MA plans, Sate Medicaid agencies, other governmental payers (e.g., TRICARE, FEHBP, state employee health plans), self-funded plans, TPAs, ASOs
    - Common core quality measures, but may have additional quality metrics and different (aligned) payment methods
  - » Implementation Plan
  - » Financial Plan

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OCM Introduction (cont.)

- Program evaluation
  - » Quarterly reporting by practice
  - » Independent evaluator to determine impact on health outcomes cost, quality of care and patient experience
  - » Patient surveys
  - » Practice staff surveys
  - » Site visits
- Learning system—sharing best practices

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OCM Introduction (cont.)

- Application process/timeline
  - » Payer LOIs due by 5pm EDT on March 19, 2015
  - » Provider LOIs due by 5pm EDT on April 23, 2015
  - » Online applications due by 5pm EDT on June 18, 2015
    - Authenticated weblink and password issued to applicant on receipt of complete LOI

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OCM Introduction (cont.)

» Decisions within 6 months (by end of 2015)

» OCM Program begins Spring of 2016 (date TBD)

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Practice Requirements - Evolving Issues

The 6 OCM Practice Requirements
1) Patient access 24/7 to clinician who has real time access to practice's medical record
2) Attestation and use of ONC-certified EMR
3) Utilize Data for Continuous Quality Improvement (CQI)
4) Provide core functions of patient navigation
5) Document care plan in accordance with IOM
6) Chemotherapy treatment consistent with nationally recognized clinical guidelines

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Practice Requirements - Evolving Issues (cont.)

- Requirement #1: 24/7 Access
  - » Practitioner (clinician) who has real time access to medical records
  - » Remote access (telephonic) is ok
  - » Expectation of oncologist to manage care

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Practice Requirements - Evolving Issues (cont.)

- Requirement #2: EMR Meaningful Use
  - » Must have intent to use ONC certified Electronic Health Record prior to start
  - » End of first performance year (likely spring 2017) must attest to Stage 1 with intention of attesting to Stage 2 by end of third performance year (likely spring 2019)
  - » This requirement may be updated based on HHS rulemaking

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Practice Requirements - Evolving Issues (cont.)

- Requirement #3: Use Data for CQI
  - » CMMI will provide quality and cost data on a quarterly basis
  - » Learning Network will assist practices in using data
  - » Quality Measures drawn from patient surveys, claims data, clinical data (first time CMMI is doing this)
  - » 32 measures-8 used for payment, 24 for monitoring
  - » Claims based
  - » Noteworthy: ED, EOL measures
  - » Largely process measures

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Practice Requirements - Evolving Issues (cont.)

- Requirement #4: Patient Navigation
  - » May use existing staff
  - » Suggested activities include following (from NCI: National Cancer Institute Center to Reduce Cancer Health Disparities. What are Patient Navigators? Available at: http://crchd.cancer.gov/pnp/what-are.html):
  - » Translation services
  - » Community linkages
  - » Medical Record retrieval
  - » Coordination of appointments

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Practice Requirements - Evolving Issues (cont.)

- Requirement #5: Documented Care Plan
  - Per IOM care plan (found here: http://www.iom.edu/Reports/2013/Delivering-High-Quality-Cancer-Care-Charting-a-New-Course-for-a-System-in-Crisis.aspx) :
  - 13 attributes; highlights include :
    - Diagnosis, treatment goals, expected response to Tx
    - Information on quality of life and caretakers for patient
    - Advanced care plan
    - Estimated costs- total and out of pocket
    - Survivorship plan
    - Psychosocial needs assessment

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Practice Requirements - Evolving Issues (cont.)

- Requirement #6: Clinical Guidelines
  - Generally NCCN or ASCO guidelines will be encouraged and practices required to report in some fashion adherence to such guidelines
  - Where such guidelines are NOT utilized will require further justification
  - Cause for exemptions might be:
    - Emergence of new treatment protocols not incorporated yet into existing guidelines
    - Participation in clinical trials

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Economics & Application Process

- Calculation of OCM performance-based pay

Description	Commentary
Benchmark Expenditures	Risk-adjusted based on practice historic baseline period; adjusted for regional variation; benchmark per cancer type
Less: Discount Percent	4.0%/2.75% discount; Medicare retains the Discount
Equals: Target Price	96.0%/97.25% x benchmark expenditure
Less: Actual Expenditures	Actual overall expenditures (claims) for all EOCs including care management fees paid
Equals: Gain ("savings")	Available for performance-based pay
Times: Performance Multiplier	Adjust for quality performance
Equals: Performance-based pay	Paid semi-annually

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Economics & Application Process (cont.)

- Some assumptions re OCM economics:
  - » 300 new pts (NP) annual per "busy" med oncologist
  - » 60% cancer/40% non-cancer/heme = 180 cancer NP
  - » 40% cancer pts referred to med onc receive chemotherapy (ref: Milliman Client Report. March 2010)
  - » 50% Medicare FFS payer mix (50% may be high for Medicare Advantage markets)
  - » Potential overall savings of 12% (ref: oncology medical home experience x3)
  - » Medical cost (claims) during 6-month EOC: High, Mid, Low (ref: Milliman Client Report. March 2010)

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Economics & Application Process (cont.)

Description	High	Mid	Low
$ total expenditures during episode (EOC)	$110,000	$55,000	$25,000
# Medicare FFS chemo patients/med oncologist	36	36	36
Care management fees ($160 x 6 x 36)	$35K	$35K	$35K
Benchmark expenditures (Hi-Mid-Low x 36)	$4.0M	$2.0M	$900K
Less: Discount Percent (4.0% retained by CMMI)	$160K	$80K	$36K
Target Price	$3.84M	$1.92M	$864K
Actual Expenditures (achieve 12% savings plus care management fees "advanced")	$3.55M	$1.80M	$827K
Gain (Target Price less actual expenditures)	$290K	$120K	$37K
Times Performance Multiplier (assume 85% "score") = Performance-based payment	$246K	$102K	$31K
Total projected pay per med oncologist (care management fees + performance based pay)	$281K	$137K	$66K
Assume 10 med onc practice size	$2.8M	$1.4M	$660K

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Economics & Application Process (cont.)

- Elements of the OCM Application

Selection Criteria	Scoring	Comments
Implementation Plan	40 points	Plan - first 2 years; current & proposed to achieve better outcomes, reduce expenditures; likelihood of achieving savings
Financial Plan	25 points	Plan - first 2 years; practice revenue from all payers, last 3 years
Participation with Other Payers	30 points	Show multi-payer participation; include # chemo pts expected; Payer Letters of Support
Diverse populations	5 points	Patient demographics showing diverse/medically underserved; plan to treat dual eligible beneficiaries

Economics & Application Process (cont.)

- Approach to the OCM application process
  - Preliminary assessment (operational & financial feasibility)
  - Mandatory OCM Letter of Intent by April 23,2015
  - Operational narrative - implementation plan
  - Financial narrative – 2-year financial plan
  - Submit OCM application by June 18, 2015
  - Post application preparedness activities (6 mos)

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Open Forum: Questions & Answers

- Thank You for Attending

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