



Oncology Value Watchdog Report: *ASH 2015 Highlights and Survey Results*

December 2015

Content

- **Highlights from ASH 2015 – Value**
- ASH 2015 Physician Survey Results

ASH Practice Partnership Lunch – a meaningful event focused on value – key takeaways

Value-based care in hematology means identifying pathways and guidelines to motivate and guide providers to deliver a consistent evidence-based approach to care while operating in a coordinated, patient-centered care delivery model

Identifying total cost of care in hematologic treatment is challenging – If we had the ability to determine more accurately what the cost to treat a patient should be, we could create payment models that reimburse based on achieving that standard

Hematopoietic Cell Transplantation (HCT) is an example of the bundled payment model that hematologists have been operating in for the past 20 years, and helps illustrate the advantages and disadvantages of this type of economic model for payers, physicians and patients

A precision-based approach is rapidly advancing in the hematology space as awareness increases about the cancer genome, enabling a personalized treatment approach. However, reimbursing for consistent approach to care will present unique challenges

Quality measures, pay for performance and other drivers of value were also highlighted at ASH's Quality Symposium



Paying for VALUE by defining QUALITY and COST

Value-based purchasing has elevated hospital quality issues with seemingly improved process performance

Key issues and challenges

- ✓ Outcomes have not improved significantly
- ✓ Questionable performance metrics and disparities in payments from hospital incentive programs have emerged

How to evaluate drugs and their associated costs in a value-based system?

What would be an optimal accountability system for practices?

What is the role of hematologists in accountable care?

What are the robust PQR^s* measures?



Questions

Financial incentives to encourage value are proliferating; however, the validity of many performance metrics is questionable, along with disparities in payments by hospitals

* PQR^s (Physician Quality Reporting System) is a quality reporting program that encourages individual eligible professionals (EPs) and group practices to report information on the quality of care to Medicare. Source: [Symposium on quality](#); [ASH - Pay for performance](#)

Although quality and value measurement techniques are improving – including becoming more standardized – challenges and limitations persist



Process → Outcome-based measures

- Processes modified to improve outcomes
- Incorporation of PROs* into quality measures

Standardization of measures

- Reduced variability
- Aligned measures at federal, state, payer and individual provider levels



Challenges in utilization of measures

- Measurement gaps
- Alignment and harmonization
- Complex measurement tactics may be necessary

Limitations of measures

- Risk adjustment
- Small sample size
- Tracking of long-term outcomes

*PROs (Patient-reported outcomes) are defined as “any report of the status of a patient’s (or person’s) health condition, health behavior or experience with healthcare that comes directly from the patient, without interpretation of the patient’s response by a clinician or anyone else.

Source: [Symposium on quality; ASH - Pay for performance](#)

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We recruited 100 U.S. hematologists/medical oncologists to attend ASH 2015, and participate in a Value and Oncology Practice Management Survey

Survey highlights

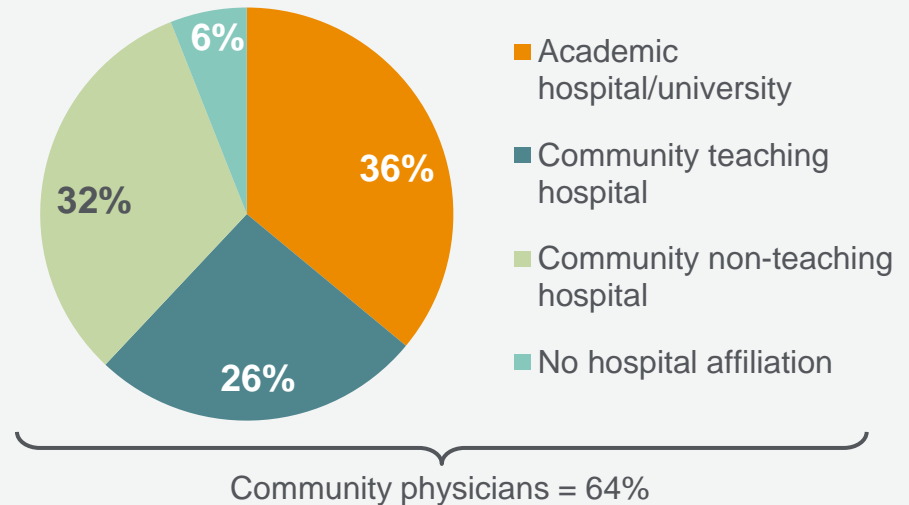
Value Frameworks

Practice Financial Dynamics

Oncology Care Model

Impact of Cost on Treatment Decisions

Respondent practice setting mix

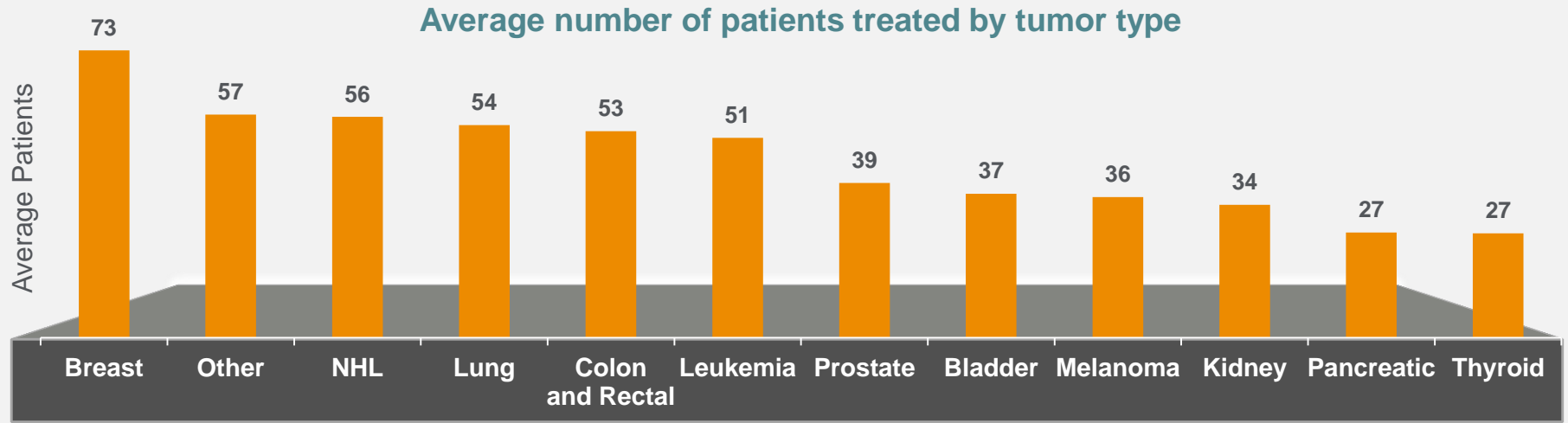


Criteria for Physician Selection

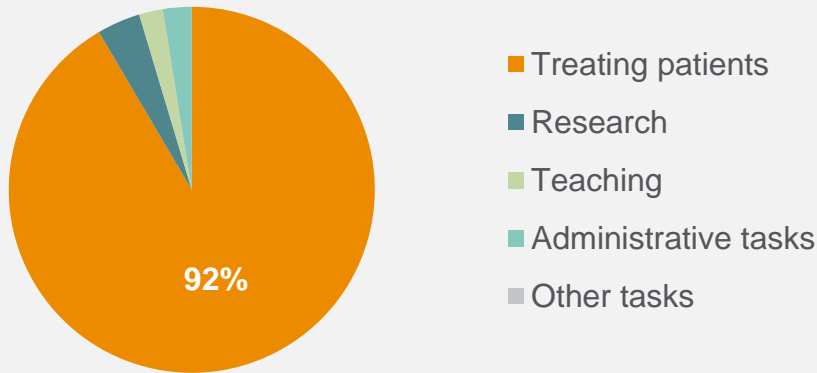
- **Must** be planning to attend ASH 2015 in Orlando, Florida (December 5 to December 8)
- Must meet one of these (patient treatment) thresholds:
 - Academic physicians: >50% time spent treating patients
 - Community physicians: >75% time spent treating patients
- Must not be working with/employed by Veterans Affairs or Kaiser Permanente

Q5. Which of the following options best describes the institution that you spend most of your time in?

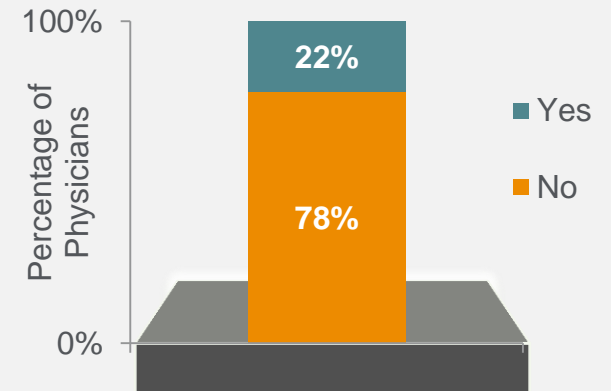
Majority of the physicians recruited spend over 90% of their time treating patients across a wide range of tumor types



Average allocation of respondent time



Participation as investigator in cancer clinical trials



Q4. Over the past three months, how many patients have you actively managed with the following conditions?

Q6. What percentage of your time is spent doing the following tasks? Your responses must sum to 100%.

Q7. Have you participated as an investigator in any cancer-related clinical trials in the past year?

Executive summary



- **Treatment decisions** by physicians are limited by cost scrutiny, particularly in crowded markets
- **Key challenges** for hematologists lay in the factors that promote value-driven care, notably payer management and shift from fee-for-service



- Awareness and use of **value frameworks** in hematology remains limited as physicians lack understanding of the role of manufacturers in **value frameworks**



- Less than 50% of **practice revenue** depends on buy-and-bill fees
- Respondents are divided on whether the 340B discounting program increases patient access to oncology drugs
- Majority of practices do not operate in capitated payment models



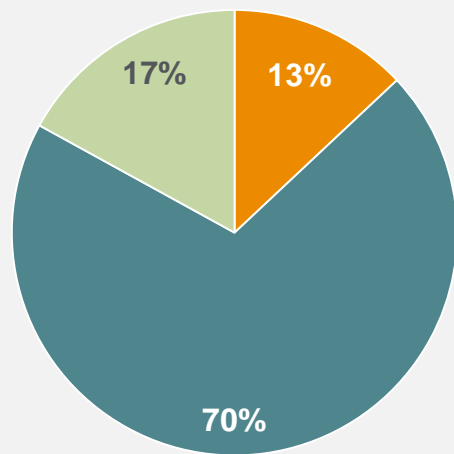
- Greater **cost pressures** are anticipated in the future as markets become increasingly crowded, promoting adoption of generics and biosimilars
- **Use of generics** (68%) and **shopping for best deals for injectable chemo** (44%) most commonly used strategies to minimize drug spend

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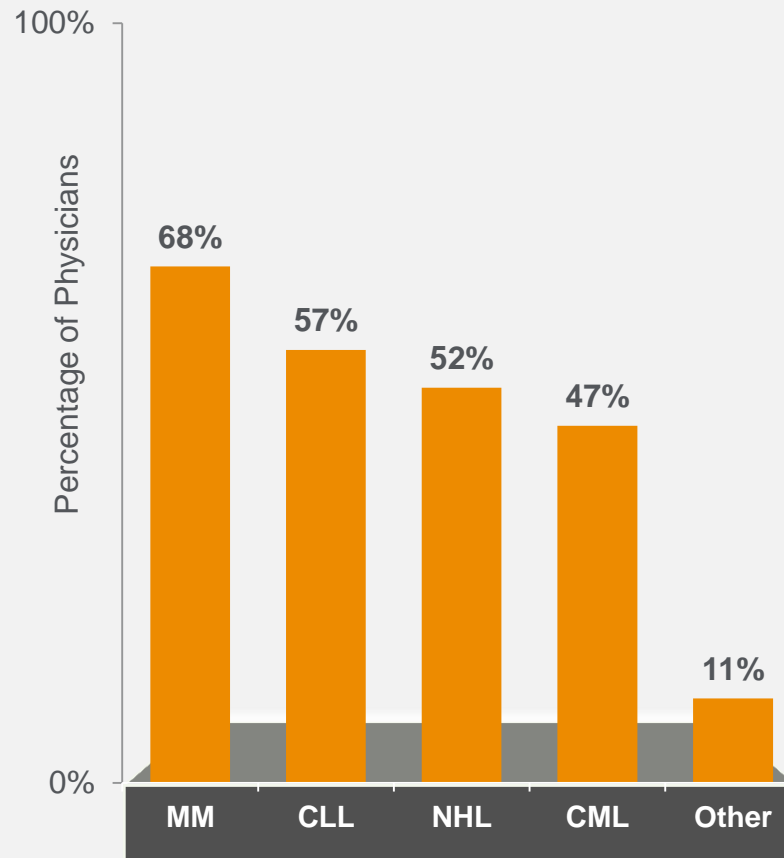
The survey highlighted that cost scrutiny – particularly in crowded markets – somewhat impacts respondent treatment decisions

Extent to which treatment choices are limited by scrutiny around cost (n=100)



- Most of my decisions are impacted by payer management
- Some, particularly in crowded markets
- Not at all

Diseases most crowded with treatment options (n=100)

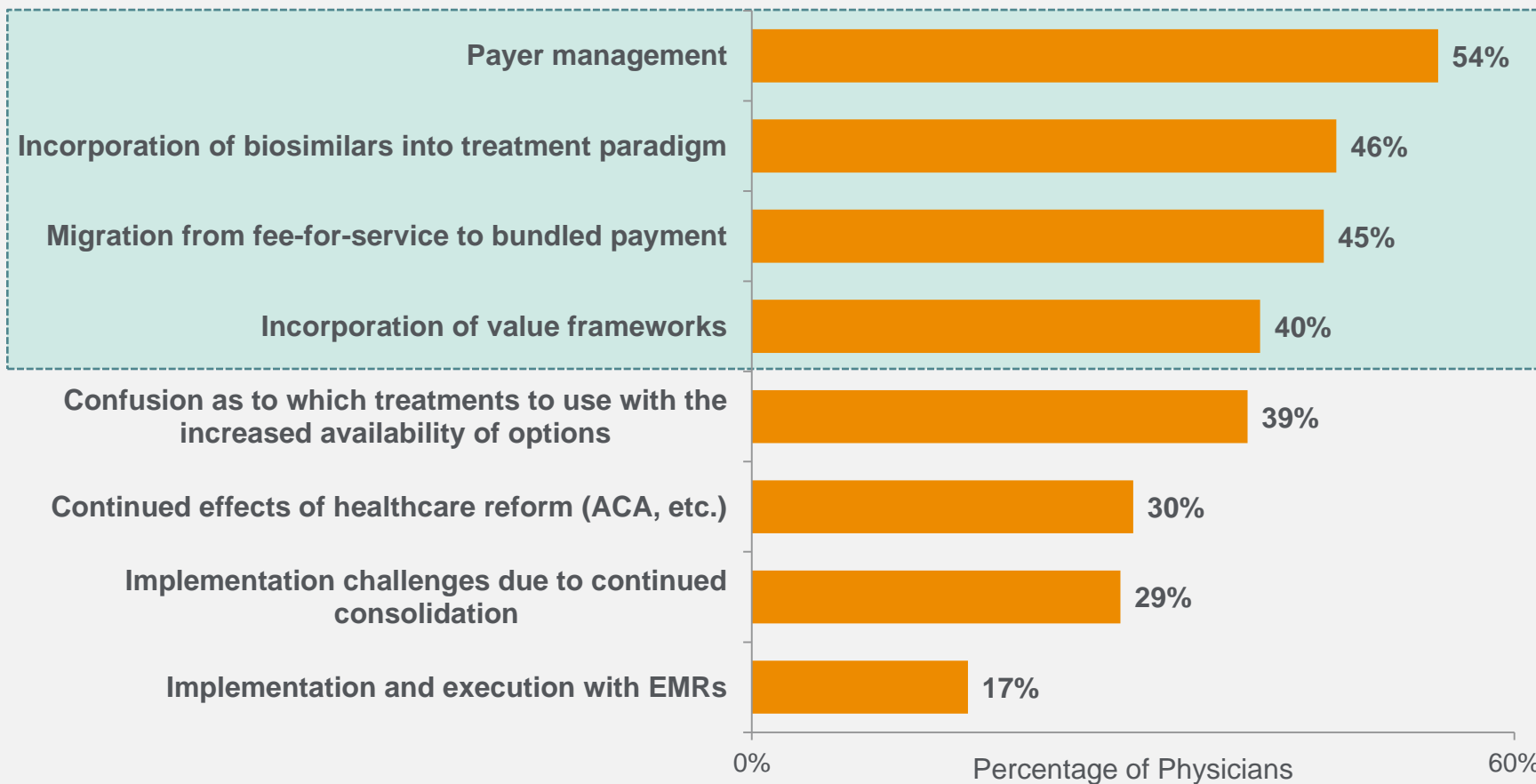


Q2 : To what extent are your hematology treatment choices being limited due to cost scrutiny in the market? (Select one)

Q1 : Which of the following disease areas are “the most crowded” with treatment options? (Select one)

Physicians anticipate that the biggest challenges hematologists will face in the next one to three years will be activities that drive value-driven care

Top challenges for hematologists in the next one to three years (n=100)



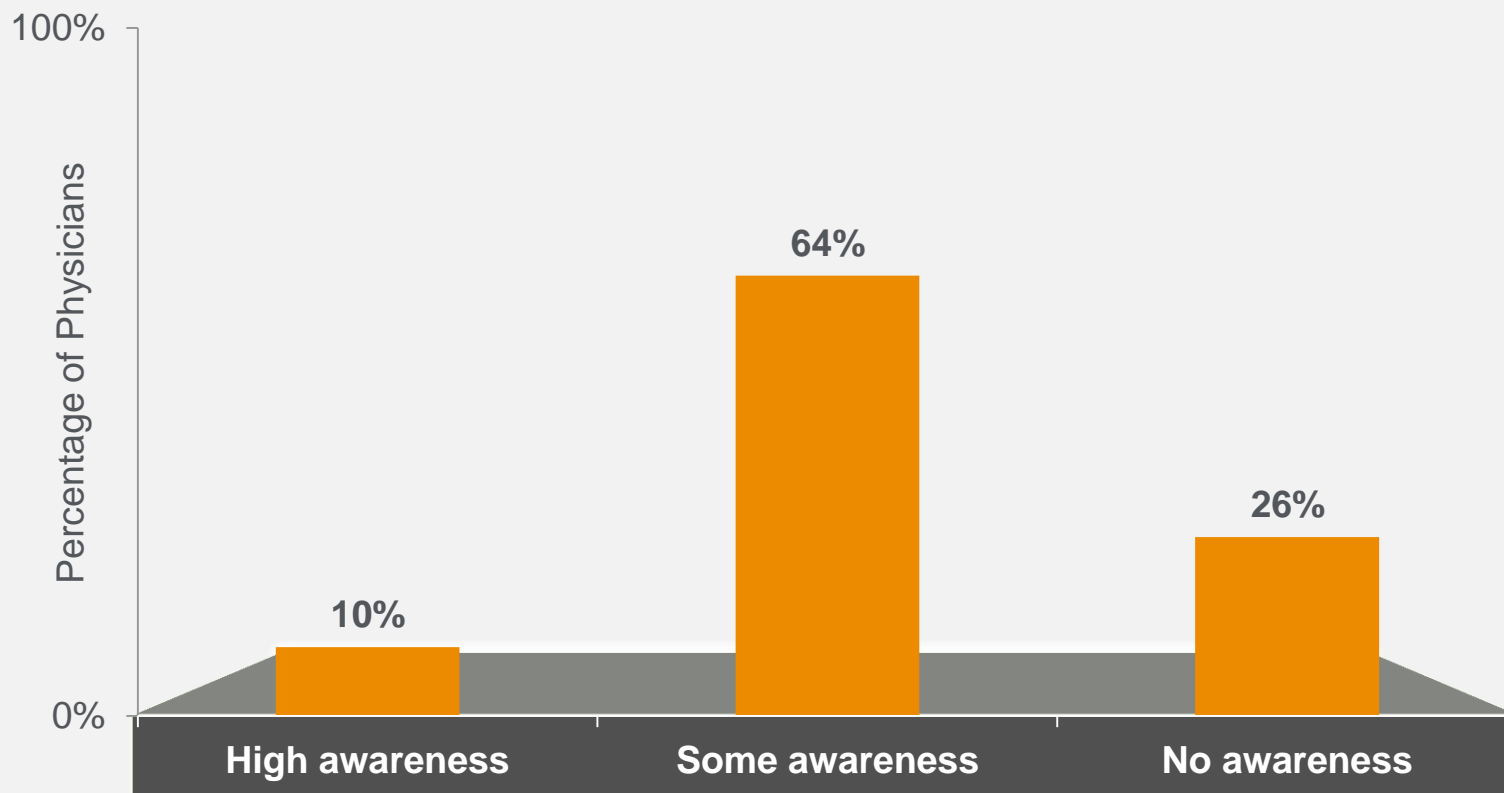
Q23 : What do you foresee to be the top three challenges for hematologists in the next one to three years? (Please select three options from the list)

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While 64% of physicians have “some” awareness of value frameworks in oncology, only 10% would consider their awareness “high”

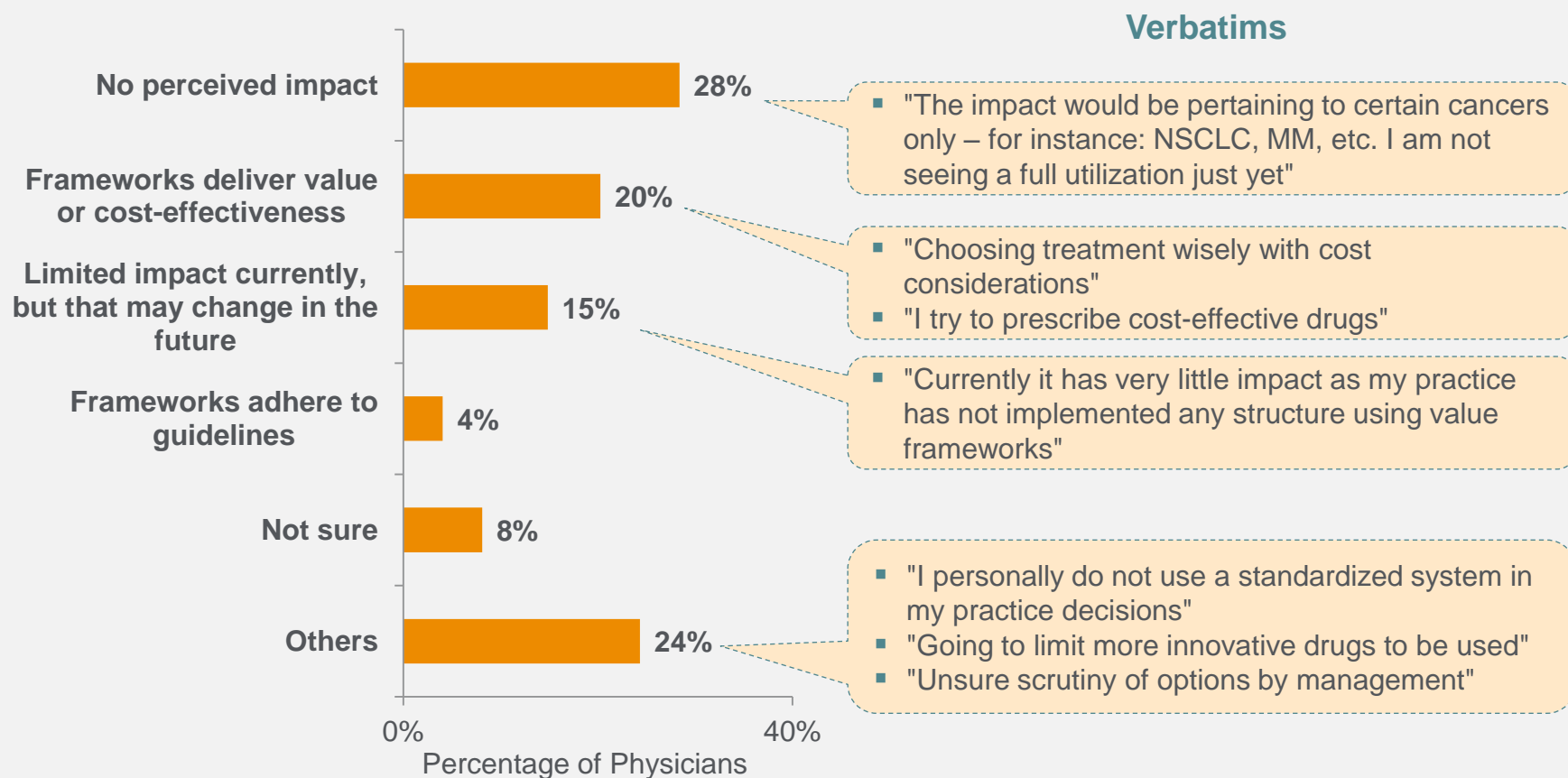
Awareness of value framework in oncology (n=100)



Q7 : What is your level of awareness of value frameworks in oncology? (Select one)

Physicians anticipate that value frameworks will potentially play a role in future treatment decisions

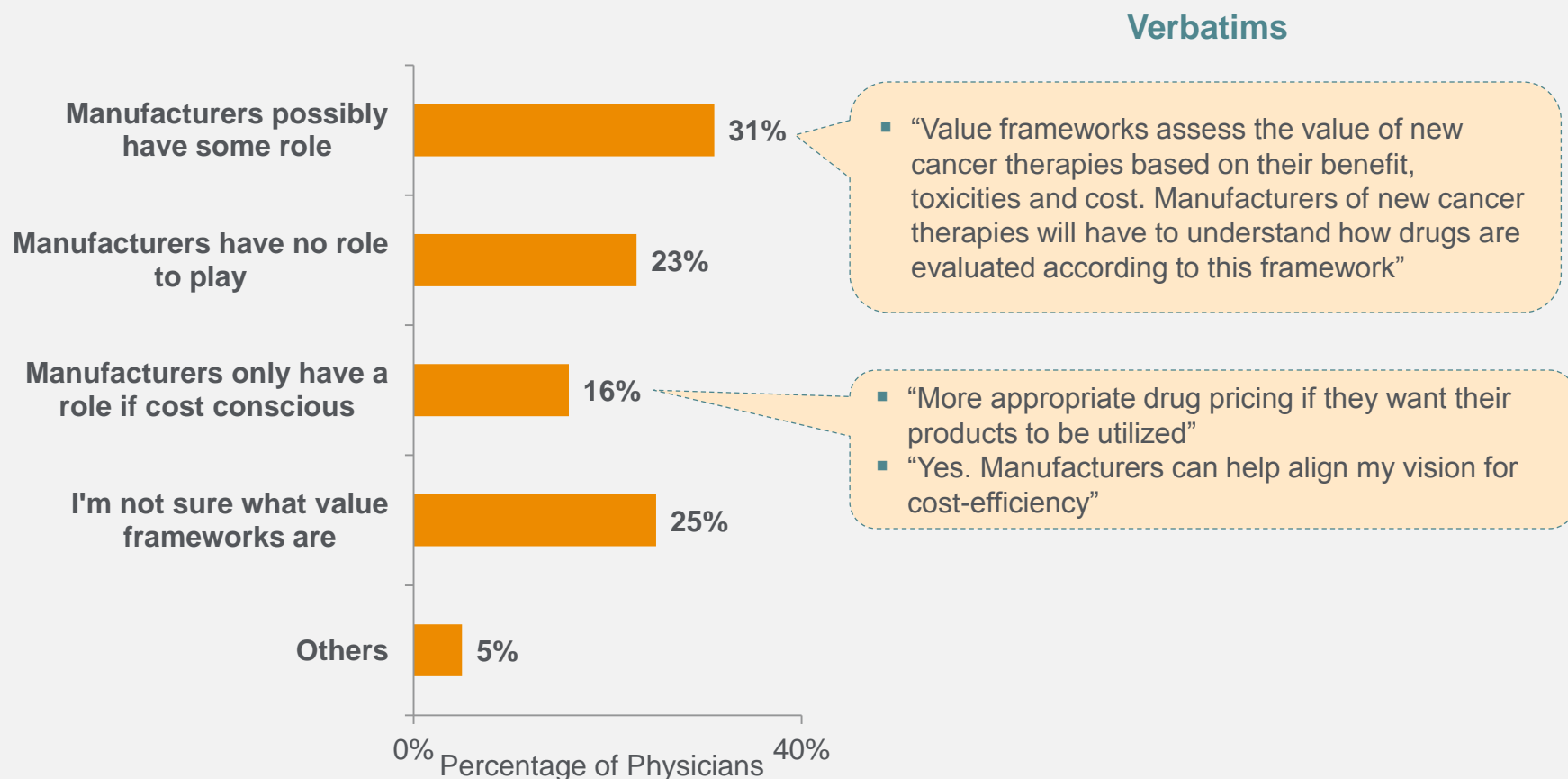
Impact of value frameworks in practice decisions (n=74)



Q11 : What is the impact of value frameworks in your day-to-day practice decisions today? (Open text)

Majority of physicians either believe that manufacturers don't have a role with value frameworks or are unsure about the role they play

Role of manufacturers with value frameworks (n=100)



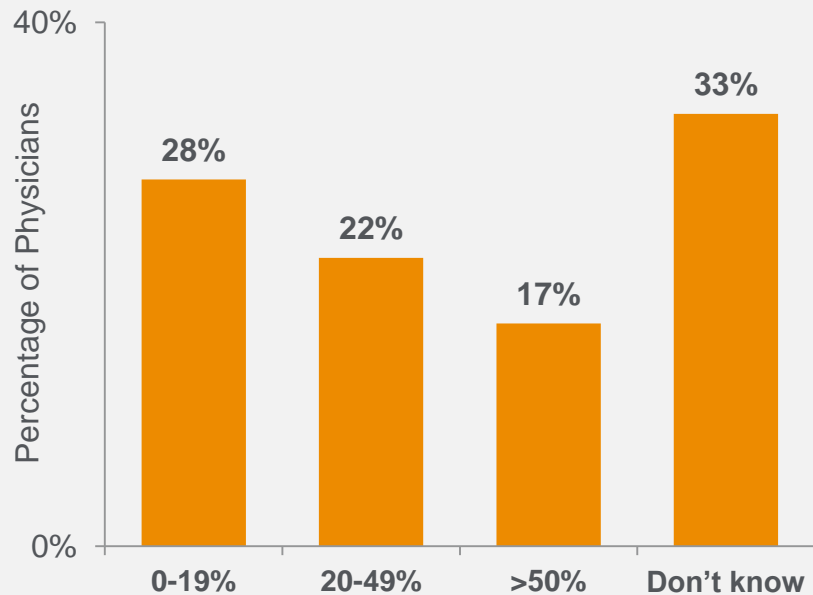
Q12 : Do you see a role for manufacturers with value frameworks? (Open text)

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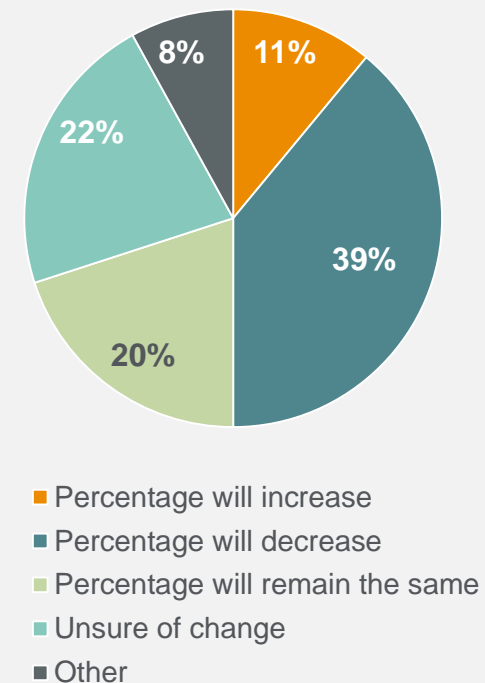
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Of all the physicians, 39% anticipate a decline in the proportion of buy-and-bill revenue over time

Practice revenue dependent on buy and bill (n=100)



Anticipated change in selected range of revenue in the future (n=100)

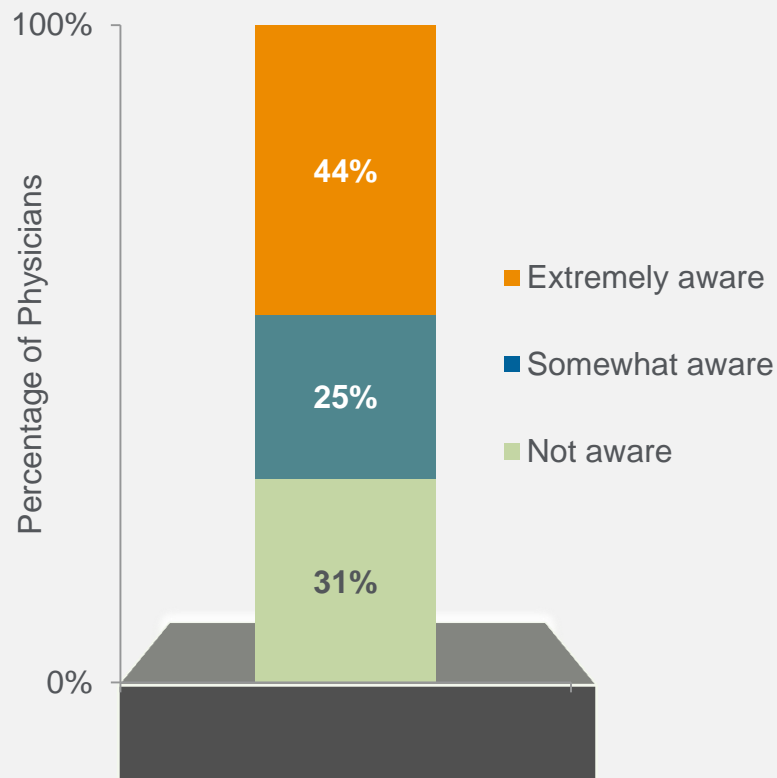


Q19 : What fraction of your practice revenue depends on buy-and-bill fees (for medical benefit products)? (Select one)

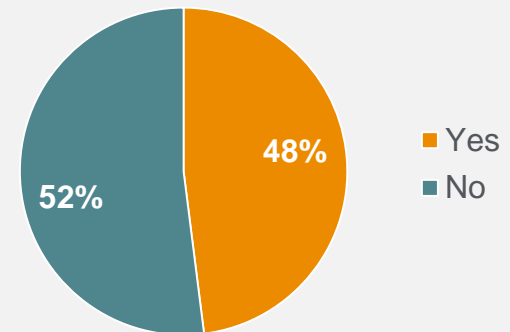
Q20 : How do you expect the selected range of revenue to change in future? (Open text)

Of all the physicians, 44% have high awareness of the 340B Program, and about half of them feel that it has increased access to oncology drugs

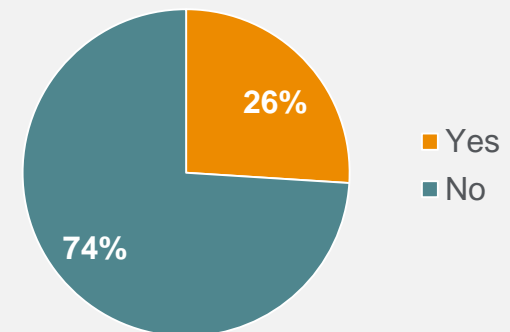
Awareness of the 340B Program (n=100)



Has the 340B Program increased patient access to oncology drugs? (n=100)



Does application of 340B discounting differ in outpatient vs. inpatient drugs? (n=100)



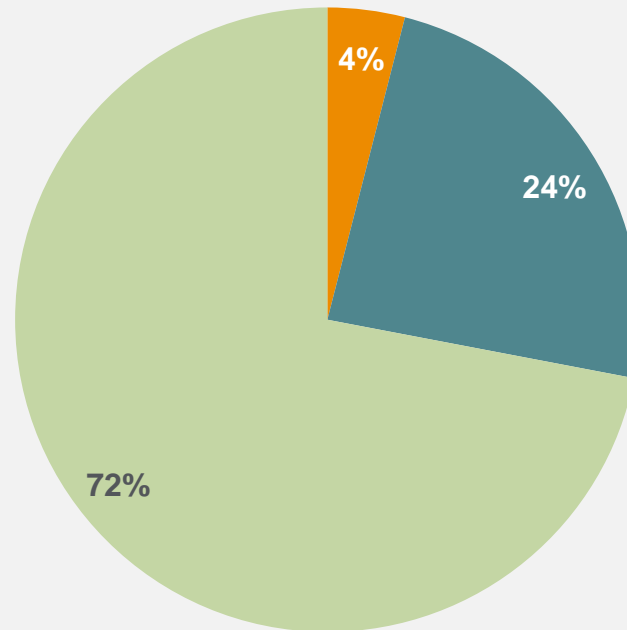
Q13: What is your level of awareness of the 340B Program? (on a scale of 1 to 5)

Q14: Do you believe the 340B Program has increased patient access to oncology drugs? (Select one)

Q17: Does your application of 340B discounting differ with outpatient vs. inpatient drugs? (Select one)

Of all the physicians, 72% stated that their practice does not currently operate in capitated payment models

Does the practice operate in any capitated payment models currently? (n=100)

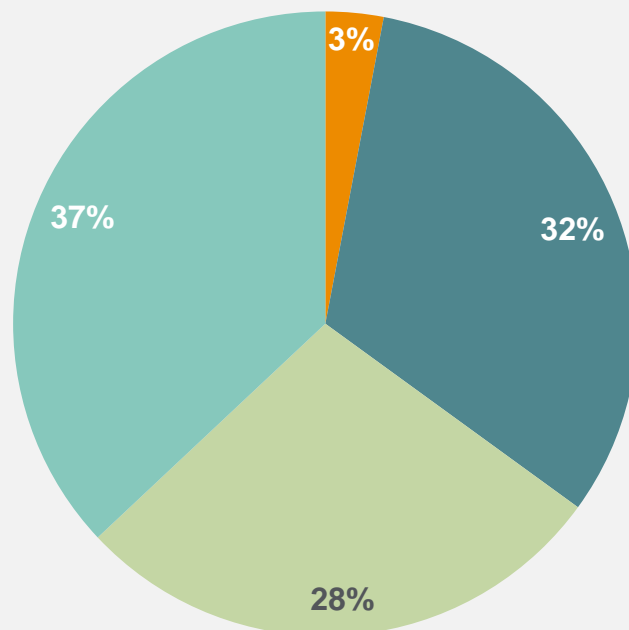


■ Yes, for most of our treatment ■ Yes, for a proportion of our treatment ■ No

Q21 : Does your practice operate in any capitated payment models today? (Select one)

Of all the physicians, 35% intend to participate in the Oncology Care Model pilot at some point, with 37% still unfamiliar or unaware of the program

Interest level to participate in CMMI's Oncology Care Model pilot (n=100)



- Yes, we have enrolled as part of the initial group to participate
- Yes, we intend to participate but are not certain when
- No, we never intend to participate
- I don't know what that is

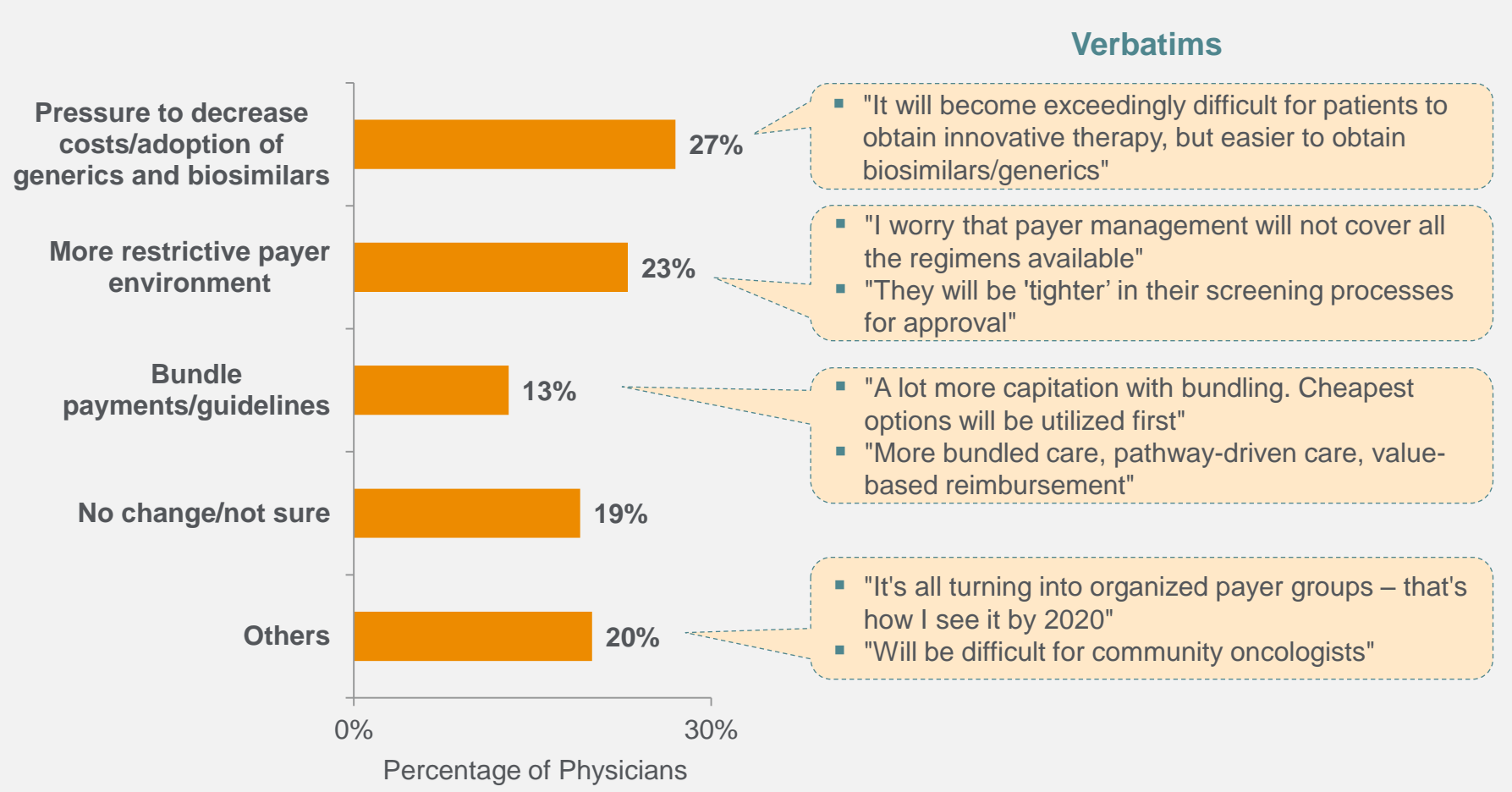
Q22 : Do you intend to participate in CMMI's Oncology Care Model pilot? (Select one)

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 - **Impact of Cost on Treatment Decisions**

Physicians expect greater pressure in the future to decrease costs, promoting adoption of generics and biosimilars

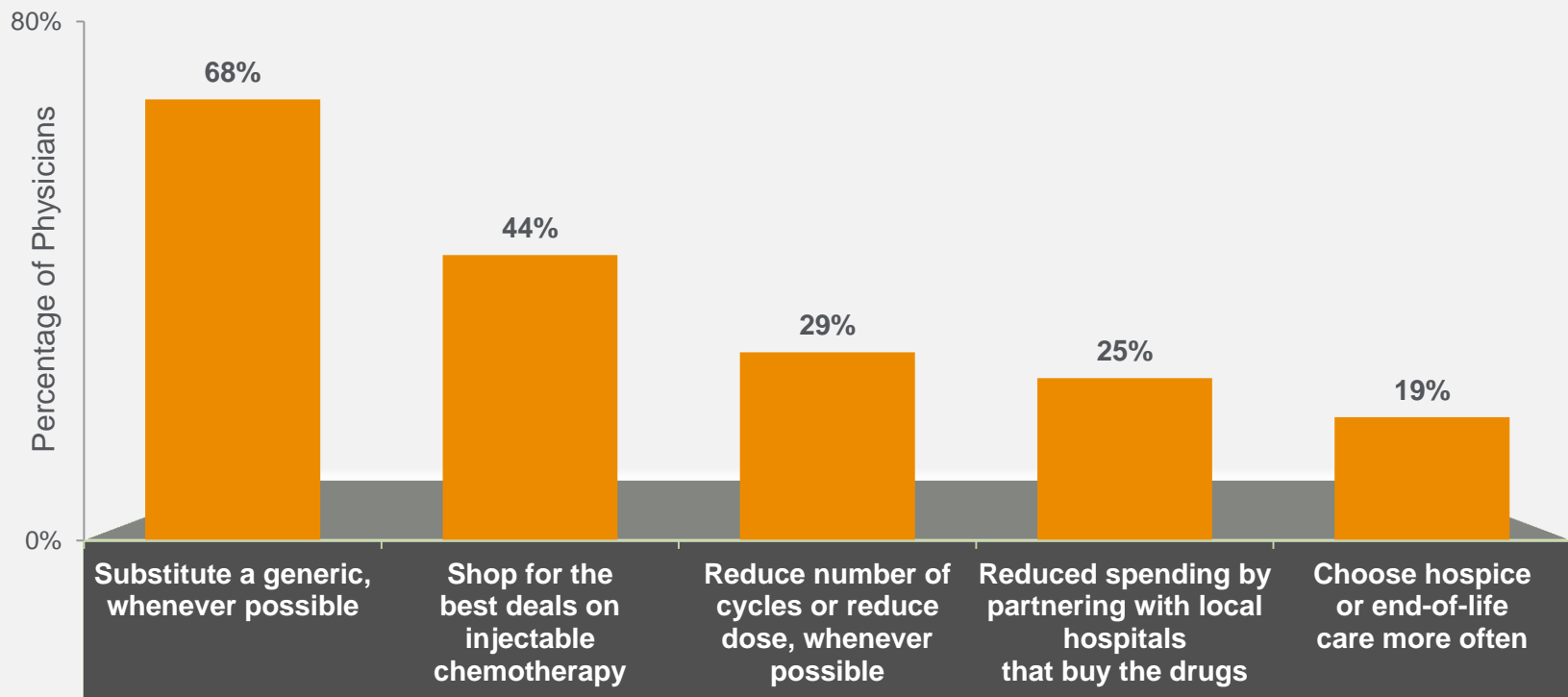
Changes are anticipated in payer management in the future with more innovative products in the market (n=100)



Q6 : How do you see the payer management changing in the future with the market crowded with more innovative products? (Open text)

To reduce the drug spend in oncology, physicians currently tend to “substitute a generic wherever possible”

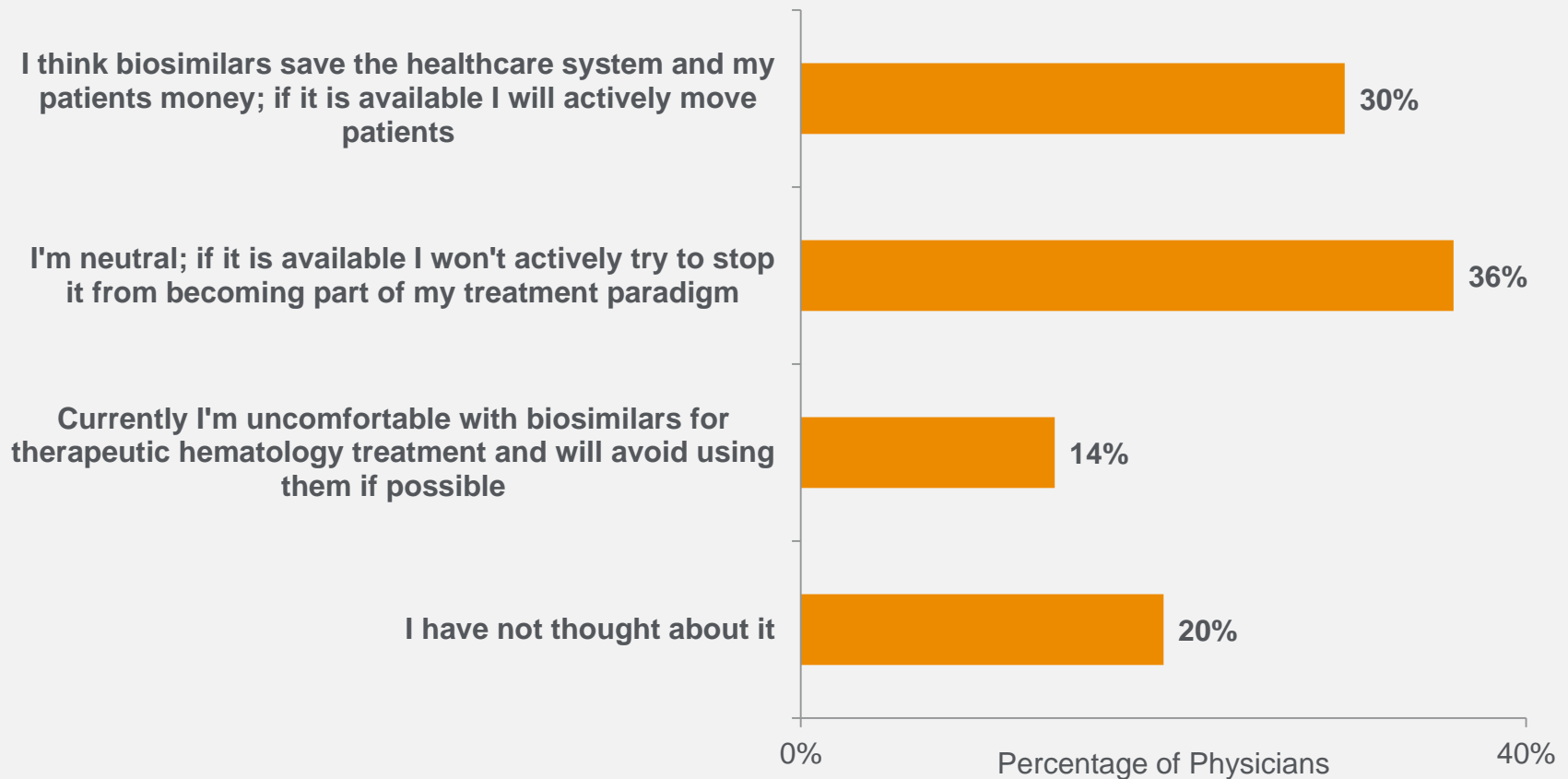
Strategies employed to minimize drug spend (n=100)



Q18 : Which of the following strategies are employed to minimize drug spend? (Select all that apply)

Two-thirds physicians have positive or neutral feelings about incorporating biosimilar Rituxan into their treatment paradigm

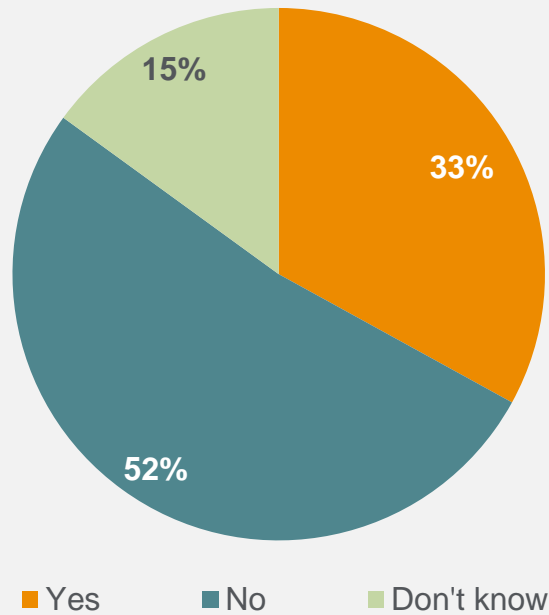
Impact of availability of Rituxan biosimilar on practice (n=100)



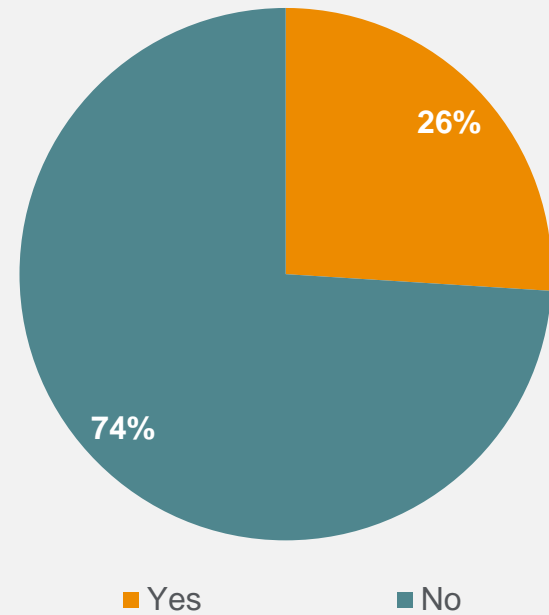
Q3 : How do you see the availability of biosimilar Rituxan in coming years impacting how you practice? (Select one)

Only one-third physicians believe biosimilars will increase access for patients, with one-fourth planning to treat differently – depending on combination

Availability of biosimilar Rituxan will increase accessibility for patients (n=100)



Change in utilization of biosimilar Rituxan when considering combo vs. mono (n=100)



Q4 : Will availability of biosimilar Rituxan increase accessibility for your patients? (Select one)

Q5 : Does your perspective on utilization of biosimilar Rituxan change at all when considering combo vs. monotherapy? (Select one)