## Anthem.

## Cancer Care Quality Program

February, 2015

COMPANY CONFIDENTIAL AND PROPRIETARY



## The challenge: the quality of cancer care is inconsistent

- Up to 1 in 3 people treated with chemotherapy do not receive a treatment regimen that is consistent with current medical evidence and best practices<sup>1</sup>
- People are often hospitalized during treatment because of side-effects which could be avoided by using less toxic treatment regimens and appropriate supportive care<sup>2</sup>
- People frequently receive tests and treatment that they do not need, putting them at risk of side-effects, as well as imposing an additional care burden and cost<sup>2</sup>

<sup>1</sup> J Clin Oncol 2011, 30:142-50; J Clin Oncol 2012, 30:3800-09; J Clin Oncol 2006, 24:626-34; Oncologist 2011;16:378-87;

<sup>2</sup> J Clin Oncol 2002 20:4636-42. JACR 2012, 9:33-41; JAMA 2013, 309:2587-95; J Clin Oncol 2013; 31:epuk

<sup>3</sup> Barr et al. J Oncol Pract. 2011;7: 2s-15s.

## Rising healthcare costs are unsustainable

Median household income

\$52,250

Cost of family's healthcare

\$22,030

Employer premium contribution

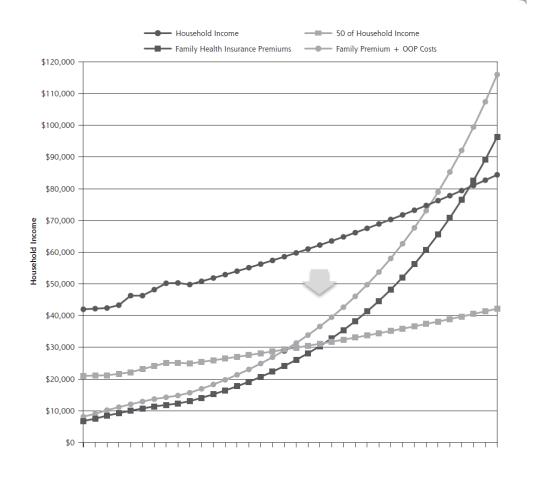
\$12,866

Employee premium contribution

\$5,544

Employee expenses (e.g. deductible, copays)

\$3,600

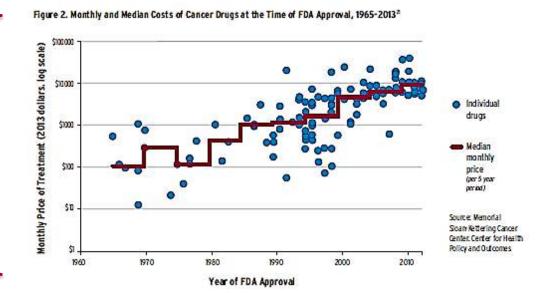


http://www.deptofnumbers.com/income/us/#household; 2013 Milliman Medical Index Young et al. Annals of Family Med. 2012:10



# New cancer drugs are more expensive . . . and producing less value

Monthly cost at the time of FDA approval (1965 – 2013)



13 new cancer treatments approved by FDA in 2012

Survival extended by 6 months

Survival extended by only 4-6 weeks

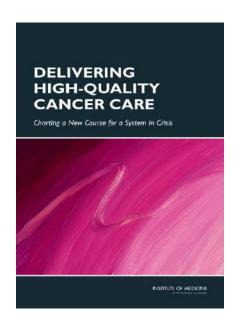
Average cost of treatment per month

\$5,900



### 2013:

### charting a new course for a system in crisis



Institute of Medicine 2013

"Care often is not patient-centered, many patients do not receive palliative care to manage their symptoms and side effects from treatment, and decisions about care often are not based on the latest scientific evidence."

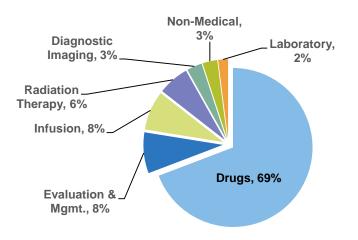
## IOM recommendations to improve the quality of cancer care

- A national quality reporting program with meaningful quality measures
- Improve the affordability of cancer care by leveraging existing efforts to reform payment and eliminate waste
- Reimbursement aligned to reward affordable, patient-centered high quality care

### Together, we can transform cancer care

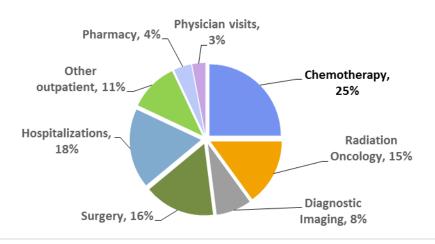
#### **Oncology Practice Revenue Sources**

Barr et al. J Oncol Pract. 2011;7: 2s-15s.



#### Chemotherapy Accounts for 25% of Cost

WellPoint affiliated health plans internal data 2012





Reimbursement model must change so that focus shifts to cancer care that is value-based and patient-centered



## Our model: a Quality Initiative

The Cancer Care Quality Program provides a framework for rewarding high quality cancer care

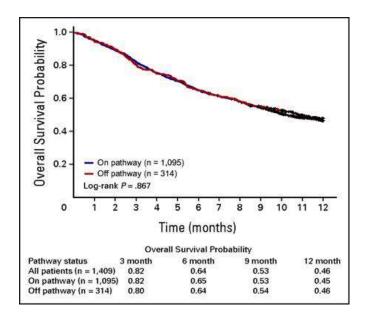
Oncologists participating in the Cancer Care Quality Program will receive *additional payment* for treatment planning and care coordination when they select a treatment regimen that is *on Pathway* 

Web-based platform with decision-support for Quality Initiative also improves efficiency of review against Health Plan Medical Policy and decreases administrative burden for practices

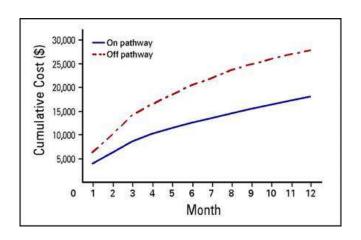


# US Oncology found pathways associated with same overall survival and 30% lower cost

## Outcomes associated with pathways vs. usual care for advanced non-small cell lung cancer



**Overall survival by Pathway status** 



12-month cumulative cost by Pathway status

Source: Neubauer M A et al. JOP 2010;6:12-18



# Variation in outcomes across 1<sup>st</sup> line regimens for non-small cell lung cancer\*

	Estimated Survival (months)	Grade 3-4 Adverse Events	Any serious AE (Hospitalization)	Deaths on Rx (Deaths due to Rx)
Rx A	13.0 (NR) mos.	N/V risk: Moderate* FN + infection:1% Neuropathy: 11% Debilitating fatigue: 6%	53% (**)	<1% (<1%)
Rx B	10.4 (9.6-11.2) mos.	N/V risk: High FN + infection:4% Neuropathy: ND Debilitating fatigue: 5%	35% (**)	7% (1%)
Rx C	11.8 (10.4-13.2) mos.	N/V risk: High FN + infection:1% Neuropathy: ND Debilitating fatigue: 7%	37% (**)	7% (1%)
Rx D	13.1 (NR) mos.	N/V risk: Moderate FN + infection:1% Neuropathy: 3% Debilitating fatigue: 4%	** (**)	<1% (<1%)
Rx E	13.4 (11.9-14.9) mos.	N/V risk: Moderate FN + infection:4% Neuropathy: 4% Debilitating fatigue: 5% Bleeding 4%	75% (19%)	5% (4%)
Rx F	12.6 (11.3- 14.0) mos.	N/V risk: Moderate FN + infection:2% Neuropathy:0% Debilitating fatigue:11%	** (20%)	** (2%)

Source: Socinski JCO 2012; Sandler NEJM 2006:355; Scagliotti JCO 2008:26; Reck Annals of Oncology 2010; Patel 2012



## Little variation in patient outcomes but marked variation in treatment cost

Estimated Survival (months)	Grade 3-4 Adverse Events	Deaths on RS (Deaths due to RX)	Cost (4 cycles)
Carbo/Paclitaxel	13.0 (NR) mos.	<1% (<1%)	\$452
Gem/Cis	10.4 (9.6-11.2) mos.	7% (1%)	\$886
Cis/Pemetrexed	11.8 (10.4-13.2) mos.	7% (1%)	\$25,619
Carbo/nab-Paclitaxel	13.1 (NR) mos.	<1% (<1%)	\$24,740
Carbo/Paclitaxel/Bev	13.4 (11.9-14.9) mos.	5% (4%)	\$39,770
Carbo/Pemetrexed/Bev	12.6 (11.3- 14.0) mos.	** (2%)	\$64,988

Source: Socinski JCO 2012; Sandler NEJM 2006:355; Scagliotti JCO 2008:26; Reck Annals of Oncology 2010; Patel 2012



## Four regimens included in Pathway

	Estimated Survival (months)	Deaths on Rx (Deaths due to Rx)	Cost (4 cycles)
Carbo/Paclitaxel	13.0 (NR) mos.	<1% (<1%)	\$452
<b>√</b> Gem/Cis	10.4 (9.6-11.2) mos.	7% (1%)	\$886
Cis/Pemetrexed	11.8 (10.4-13.2) mos.	7% (1%)	\$25,619
Carbo/nab-Paclitaxel	13.1 (NR) mos.	<1% (<1%)	\$24,740
Carbo/Paclitaxel/Bev	13.4 (11.9-14.9) mos.	5% (4%)	\$39,770
Carbo/Pemetrexed/Bev	12.6 (11.3- 14.0) mos.	**2%	\$64,988

This Pathway is specific for patients who do not have mutations such as EGFR, ALK – Pathways are personalized to tumor biology and genomics

If the oncologist or patient determines that a different regimen is better for their unique circumstances, they are still treated according to their preference – Pathway adherence does not impact coverage determination

Source: Socinski JCO 2012; Sandler NEJM 2006:355; Scagliotti JCO 2008:26; Reck Annals of Oncology 2010; Patel 2012



## Treatment planning payments support cost-effective care



Enhanced reimbursement for treatment planning and care coordination will be provided when patient is registered with the Cancer Care Quality Program and treatment regimen in on pathway



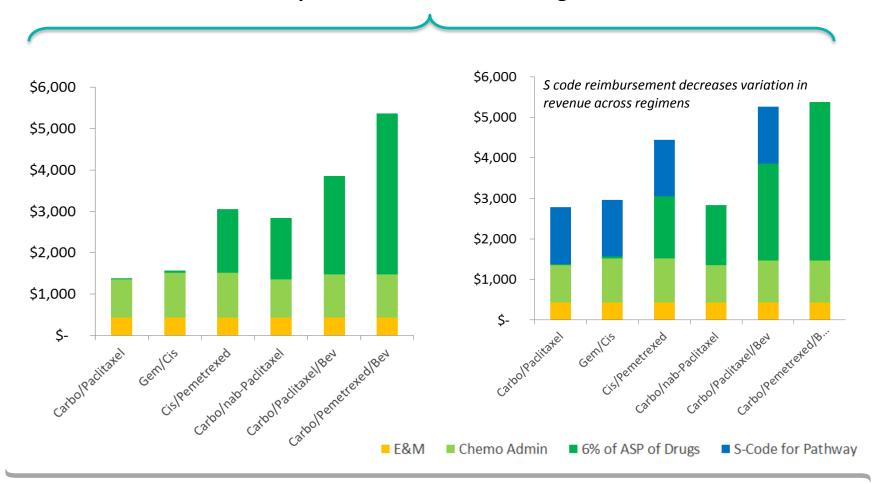
S0353 reimbursed \$350 once at the onset of treatment S0354 reimbursed \$350 no more than monthly while managing care for an established patient\*



S-code billing authorization is triggered through AIM *ProviderPortal* when practice selects a regimen that aligns with WellPoint Cancer Treatment Pathways

## Impact of enhanced reimbursement and support for Pathways

#### Mean practice revenue across regimens





### Our approach to Pathway development

Clinical Evidence & Compendia Clinical **Guidelines &** Plan Medical **Policies Pathways** 

Our external advisors include ~10 oncologists from geographically diverse academic and community oncology practices who have specific interest in quality of care; 4 are affiliated with NCI-designated cancer centers, 6 with Blue Centers of Distinction, and 6 have served on national committees for organizations such as NQF, ASCO, and IOM to improve the quality of cancer care.

Data from trials, publications, and compendia for many different patient populations are extracted, reviewed, and analyzed.

Medical evidence is synthesized by national experts into clinical guidelines. Evidence is also used by health plan committees to develop medical policies and utilization management guidelines used in making benefit coverage determinations.

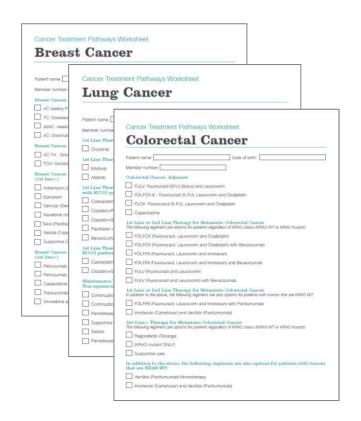
Pathways are a subset of regimens supported by evidence and clinical guidelines and aligned with health plan medical policies. Pathways are intended to be applicable for 80%-90% of patients and are selected based on:

- 1. Clinical benefit (efficacy)
- 2. Side effects/toxicities (especially those leading to hospitalizations & impact quality of life)
- 3. Strength of national guideline recommendations
- 4. Cost of regimens

Our Pathways are developed through a rigorous evidence based medicine process and reviewed by external advisors.



## By Feb 2015, we will include Pathways for cancers contributing to 90% of chemotherapy spend



Tumor Types	Cumulative Chemotherapy Cost %	
Breast Cancer	27%	
Colorectal Cancer	45%	├ July
Lung Cancer	56%	
Lymphoma	67%	
Myeloma	71%	Carat
Ovarian Cancer	75%	⊢ Sept
Pancreatic Cancer	78%	
CNS	81%	Nov
Melanoma	82%	⊢ Nov
Leukemia	88%	
Prostate	~90%	Feb



## Cancer Care Quality Program administered by AIM Specialty Health



#### **CLINICAL REQUEST**

Request is made by a Provider via the AIM **ProviderPortal**<sub>SM</sub>

#### TREATMENT REVIEW

### DECISION RENDERED

Immediate approval is granted if consistent with plan medical policy

Clinical experts available as necessary for peer-to-peer discussion

Notified if Pathway option available

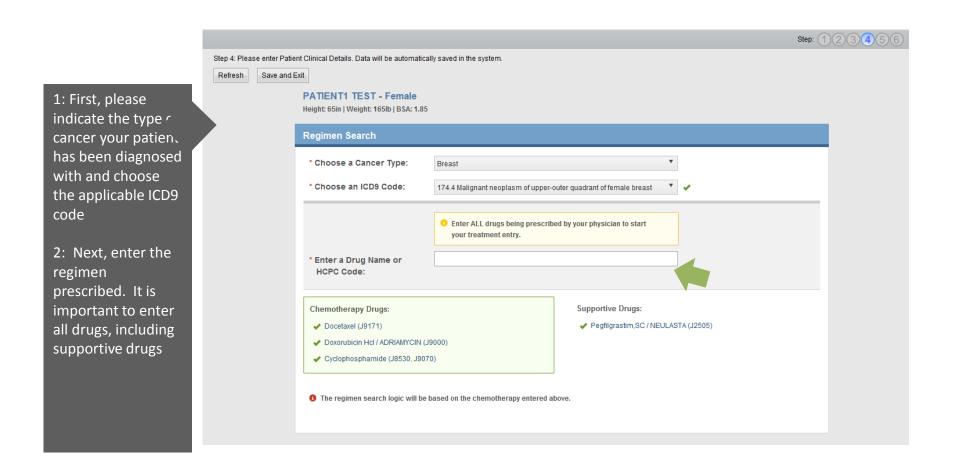
#### **PATHWAY ADHERENCE**

Practice authorized to bill S0353 and S0354 for *Treatment Planning and Care Coordination* when regimen is on pathway

Quarterly Analytics and Reporting are available



### Clinical detail: diagnosis and regimen





### Clinical detail: stage and biomarkers

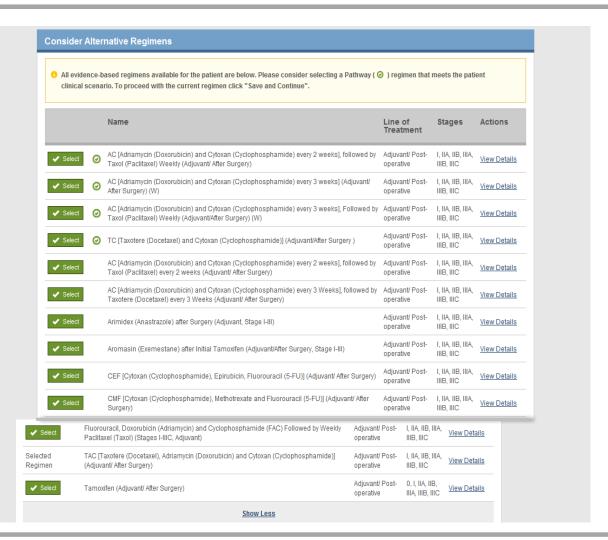




## Pathway option available

Based on the information you entered, you may be offered an alternative Pathway regimen. By choosing a Pathway regimen, your practice will be eligible for enhanced reimbursement

Choose "View Details" for additional information.



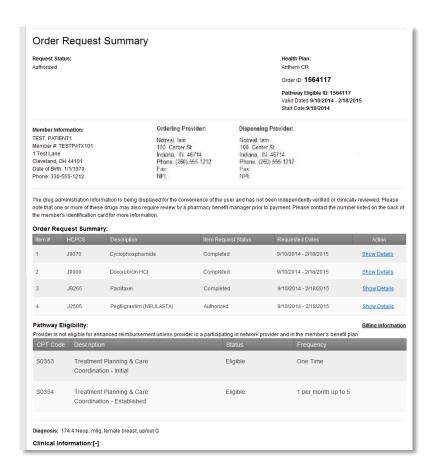


Note: AIM Specialty Health maintains the confidentiality of all protected health information. All data displayed is fictional and any resemblance to real persons is purely coincidental.

## Order Request Summary: authorization and S-Code information

Once you've completed your order, a summary page will be displayed

Please print the summary and include it in your patient records for future reference





#### Provider website

#### www.cancercarequalityprogram.com



#### **Hub for provider communications**

- Overview and benefits
- How-to tutorial
- Tips and timelines
- FAQs
- Pathways
- Worksheets