

MODEL OVERVIEW

The six year Oncology Care Model (OCM) attempts to control costs by improving care coordination and access to care for Medicare beneficiaries receiving chemotherapy for cancer within six month episodes. OCM leverages enhanced payments in the form of a per-beneficiary \$160 Monthly Enhanced Oncology Services (MEOS) payment and performance-based payments (PBPs). The model began in mid-2016. This report examines the first three performance periods (PP): episodes that ended by July 2018.

PARTICIPANTS

As of PP 3, **191 practices** were participating in OCM; practices ranged in size from one oncologist to over 350. One hundred of these practices were independent physician-owned; the remainder were either owned by a hospital or affiliated with a health system.

There were **379,219 OCM episodes** during PP 1-3. **Thirty-four percent were low-risk episodes** (includes breast and prostate cancers treated with hormonal-only therapies, and bladder cancers treated by Bacillus Calmette-Guérin (BCG) therapy and/or mitomycin). **66 percent were high-risk episodes** (includes all other episodes with the most common being lung, colorectal, and high-risk breast cancers).

FINDINGS

Mixed Impact on Episode Payments

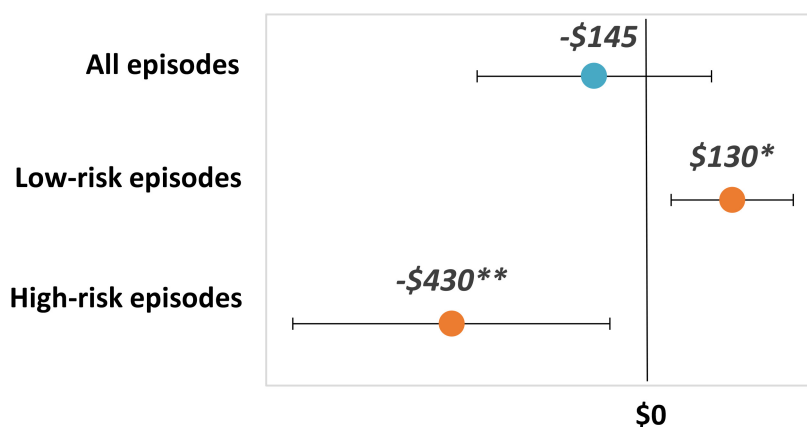
No Significant Overall Impact on Spending in PP1-PP3. Results For High and Low Risk Episodes Varied Substantially.

Estimated relative change in per episode spending

All Episodes: OCM resulted in a non-significant relative **\$145 (0.5%) decrease** in per-episode payments.

Low-Risk: Per-episode payments **increased by \$130 (1.8%)** for low-risk episodes. Low risk episode payments averaged \$7,395.

High Risk: Per-episode payments **decreased by \$430 (1.1%)** for high-risk episodes. High risk payments averaged \$44,538.



● Non-statistically Significant ● Statistically Significant **p<0.05 *p<0.1

FINDINGS



Potentially Promising Decreases in Episode Payments, but Net Losses

\$154.3 million in total losses in Performance Periods 1 and 2 after accounting for monthly enhanced oncology services payments and performance-based payments.

	Gross Spending	Net Spending
Performance Period 1	- \$23.38 M	+ \$89.49 M**
Performance Period 2	- \$46.74 M**	+ \$64.85 M**

With enhanced payments (MEOS and PBP) included, OCM resulted in net losses for Medicare of nearly \$90M in Performance Period (PP) 1 and \$65M in PP2.

** p<.05, M = Million



No Utilization Changes

There was no significant impact of OCM during PP1-PP3 on ED visits, hospitalizations, office visits or post-acute care.



Some Evidence of Quality Improvement

OCM practices adopted Care Plans with elements recommended by the Institute of Medicine to improve information sharing with patients and support shared decision making. OCM practices also implemented or expanded patient navigation, phone triage, same-day urgent care, financial counseling, and advance care planning.

OCM practices helped patients fill prescriptions on time by addressing financial barriers and side-effects.

Most surveyed oncologists indicated that OCM improves patient care, and patients are better informed about their treatment because of OCM.

KEY TAKEAWAYS

OCM aims to achieve cost savings through improving processes such as care coordination and adherence to national clinical guidelines. Many OCM practices report focusing on patient education and outreach and same-day care to avoid ED visits and hospitalizations.

Episode payments for high-risk cancers declined, but increases in episode payments for low-risk cancers offset these impacts, leading to a non-significant overall estimate for PP1-3. When model payments from the first two PPs were included (MEOS and PBP), OCM resulted in net losses for Medicare.