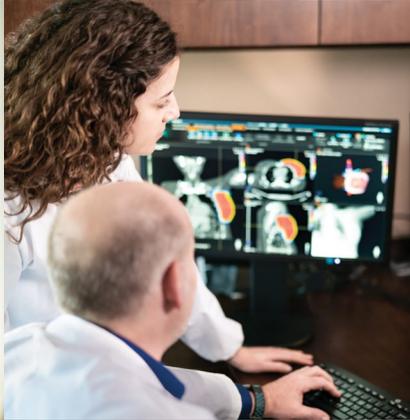


Oncology and value-based care

Insights on the evolution of cancer care delivery





More than ever, community oncology practices are challenged to improve patient outcomes and reduce costs, and at the same time, report numerous clinical and financial performance metrics. The result is a significant shift in how oncologists care for patients and run their business.

The first piece of value-based care legislation was passed in 2008, and with more than a decade behind us, there's no better time to look at the evolution of healthcare delivery and the impact and challenges of value-based care in oncology.

Because McKesson is committed to understanding the dynamics and changing currents of value-based care, we conducted a market assessment in 2019 surveying 200 oncologists and value-based care decision makers. Our goal? To better understand how practices like yours are faring with value-based care transformation.

We asked for feedback on:

- Value-based care familiarity and overall experience
- Strategy
- Barriers and confidence in practices' success
- Documentation, reporting and technology
- Resources and tools
- The future of value-based care

The responses provide a window into varied viewpoints and experiences, as well as perceptions that continue to evolve. We understand the significance of not only exploring these complexities, but also sharing the results of our research and providing insights so you can take meaningful steps forward.

Our expertise and technology-enabled solutions mean we're uniquely positioned to help community oncology practices navigate the ever-changing world of value-based care. From reducing costs and improving quality to reporting on performance metrics and leveraging data to make improvements, we clear the path so you can care for your patients.





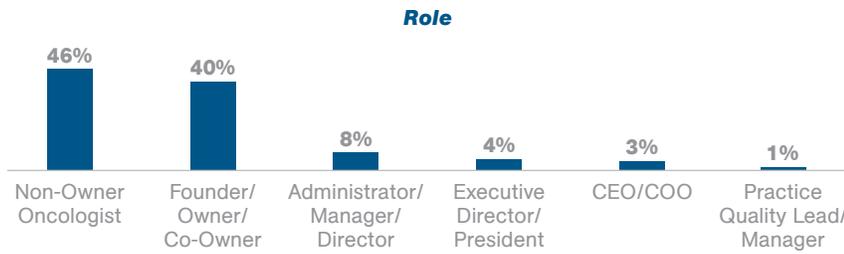
Key findings

- Value-based care is a well-known concept and its guiding principles are well recognized.
- Value-based care is on the path toward accomplishing its intended goals. However, the degree to which individual programs are successful and a practice's confidence in their ability to improve patient outcomes and reduce cost of care within each program varies.
- Staffing, administrative burden and financial resources consistently rank as top descriptors of value-based care strategy, barriers to success, and most-needed resources.
- Documentation and reporting requirements are still a challenge. While technology to enable meeting these requirements is a priority, respondents acknowledge the data they receive back is not particularly helpful in improving performance.

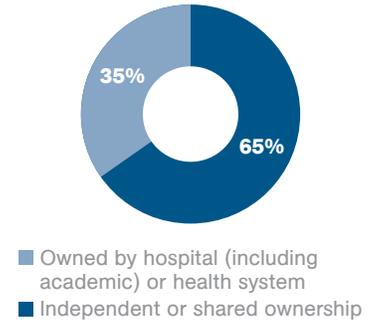




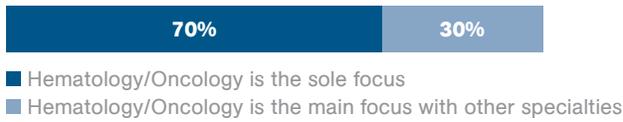
Demographics and background



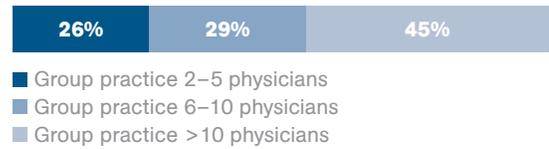
Ownership of practice



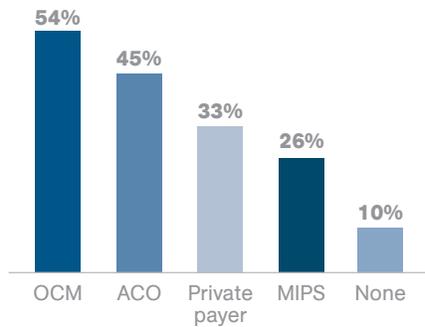
Specialty



Practice size



Current value-based care (VBC) program



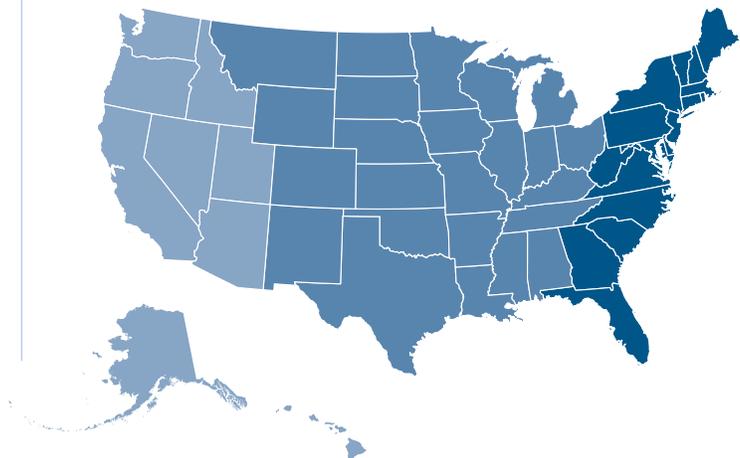
VALUE-BASED CARE PROGRAM ACRONYMS

OCM – The Oncology Care Model

ACO – Accountable Care Organization

MIPS – Merit-based Incentive Payment System

Region



Note: Respondents may be participating in more than one value-based care program.

Value-based care familiarity and overall experience

There's strong value-based care familiarity, but the degree to which respondents find individual programs successful vary.

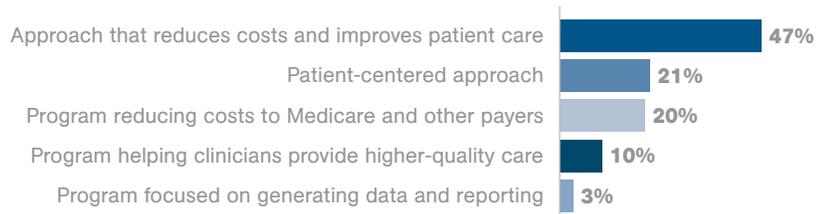
While 95% said improving patient care quality is the most important objective to achieve, only 10% described value-based care as “Programs focused on helping clinicians provide higher-quality patient care.” This reveals a significant disconnect between what providers and practices hope to accomplish and what value-based care programs are actually achieving.

In addition, this research, along with our experience supporting practices in The US Oncology Network, indicates the OCM is further along in accomplishing its goals, while MIPS hasn't produced enough data around critical cost and quality areas. Unlike MIPS, the OCM pays participating practices Monthly Enhanced Oncology Services (MEOS) payments for each patient enrolled. These financial resources help practices enable the transformation necessary for program success.

How would you describe your familiarity with value-based care programs?



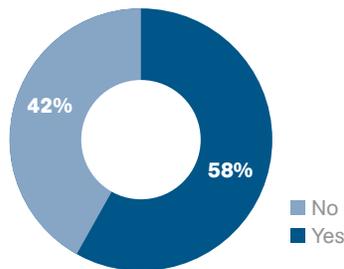
How would you best describe value-based care?



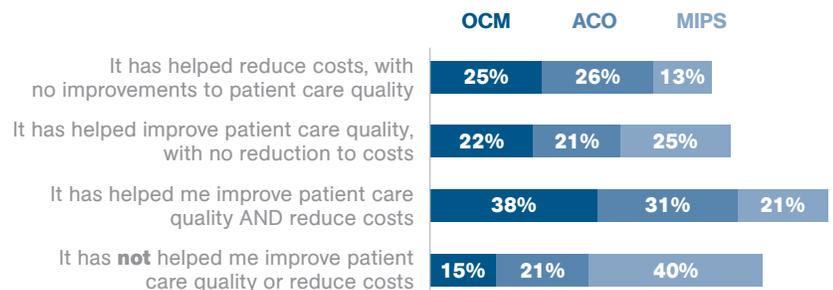
On a scale of 1-5, with 1 being not important at all and 5 being very important, how important is it to your practice to be able to achieve the following in a value-based care program?



Is value-based care accomplishing goals intended?



Which of the following statements best describes your experience with...





85%
of respondents

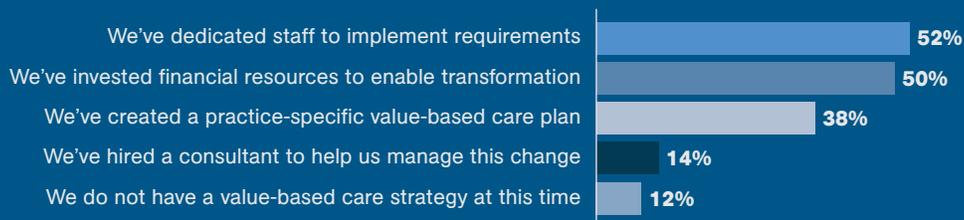
participating in the OCM think the program has helped their practice reduce costs, improve patient care quality, or both, compared to just 60% of respondents participating in MIPS.

Value-based care strategy

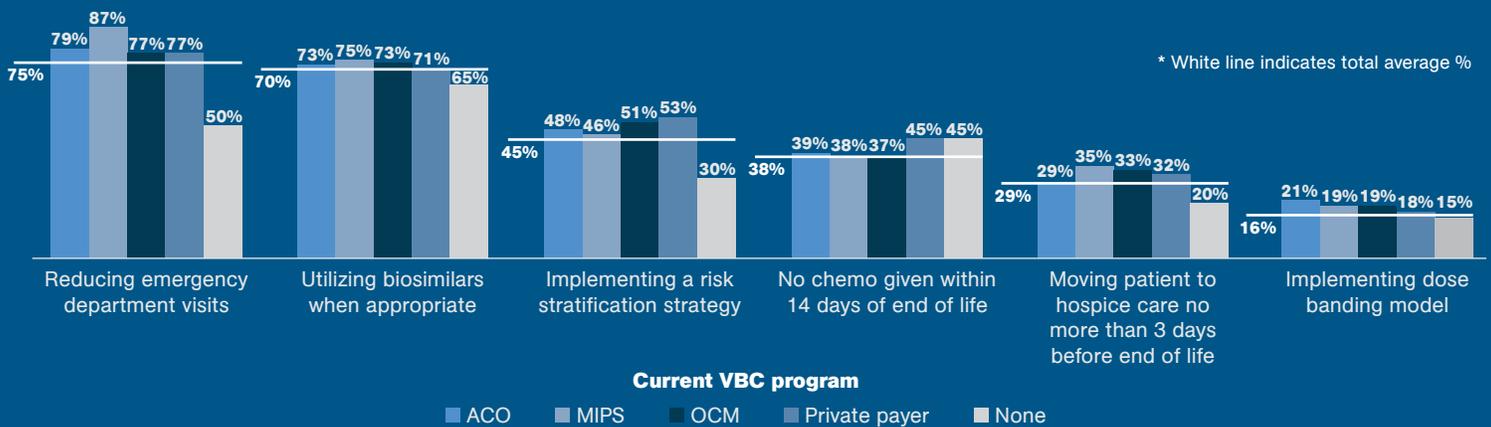
Each practice may take a unique approach, but our research found some universal themes when it comes to strategy — dedicated staffing and financial resources.

A successful strategy for a value-based care program requires a team approach, where everyone at the practice works together to provide patients the best care possible. Respondents, regardless of care setting or the value-based program, consistently reported that staffing and financial resources are critical to making this a reality.

Which of the following statements best describes your practice's value-based care strategy?



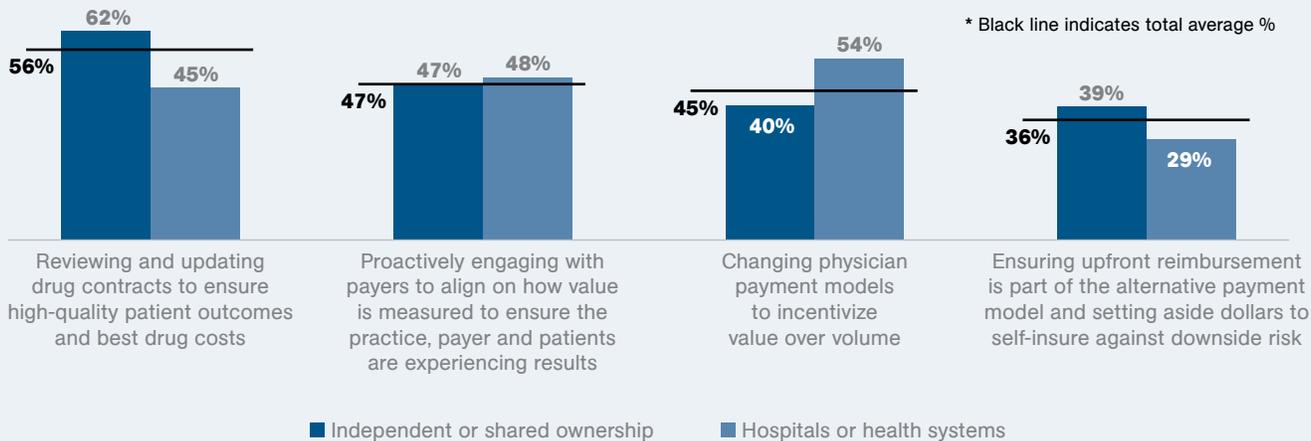
What are you doing to reduce the cost of care?



★ **Practices in The US Oncology Network participating in the OCM have saved Medicare more than \$91 million in total cost over the first five Performance Periods. They've also achieved improvements in several cost areas, including:**

- 7% decrease in hospitalizations
- 4% decrease in ED visits
- 5% increase in hospice more than three days before death

What are your risk mitigation plans for the transition from fee-for-service to alternative payment models?



62%
of respondents

in independent or shared ownership practices plan to review and update drug contracts to ensure high-quality patient outcomes and best drug costs.

“We use **time-driven activity-based costing** to ensure that our personnel are using time efficiently. Finally, we plan to participate in bundled payments and advocate for this nationally.”

Oncologist,
Independent or shared ownership, MIPS and OCM

“Increasing access to telemedicine: **Cuts down on cost to patient, reduces burden in clinic, allows reimbursement for quick visits as follow-up.**”

Oncologist,
Hospitals or health systems, ACO and OCM





Barriers and confidence in practice succeeding

Like strategy, common themes emerged around administrative burden and financial resources.

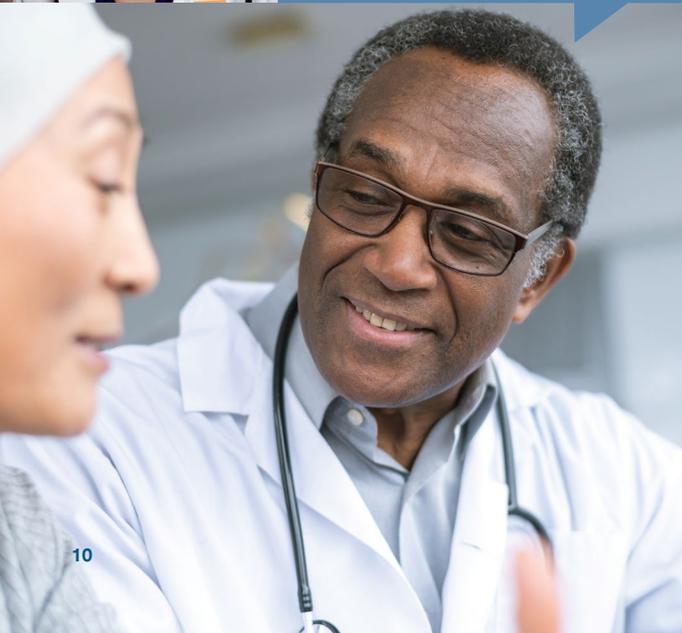
Also consistent was feedback around documentation and reporting. In fact, more respondents see documentation and reporting as an obstacle than understanding and leveraging data. For those that said documentation and reporting was one of their top two barriers, 59% attribute their issues to administrative burden and human change, rather than an issue with technology. The exception is MIPS, where 63% attributed their issues to technology.



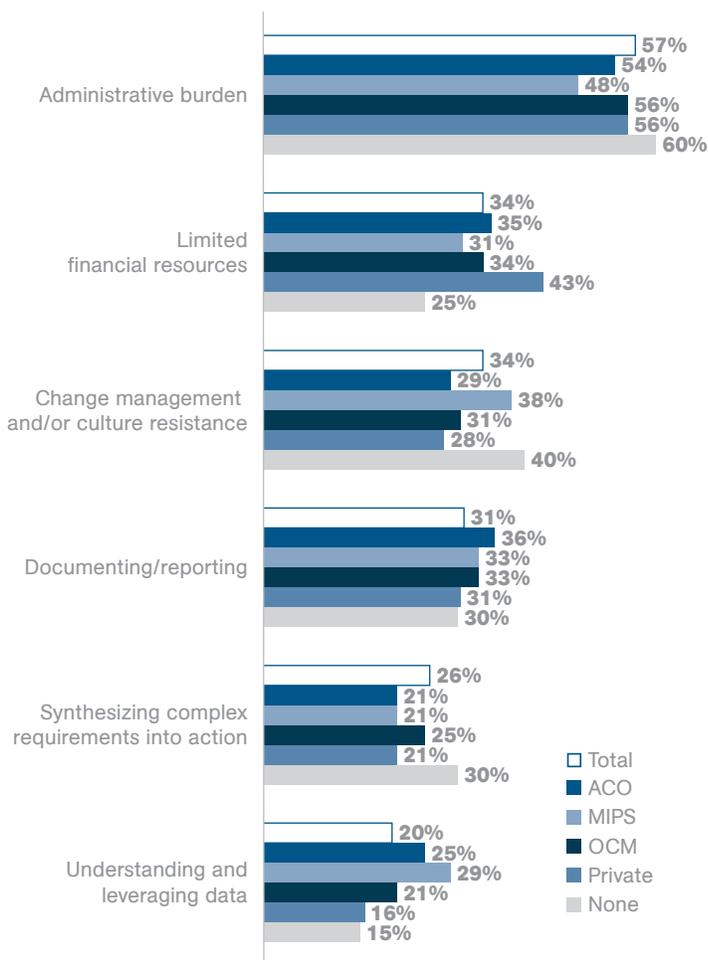
What element of OCM is the most challenging, and why?

“Different patients have different demands and needs. There really isn’t a ‘typical’ patient, so standardizing outcomes across patients with multiple comorbidities is difficult and renders bad outcomes out of context of the provider.”

Oncologist,
Hospitals or health systems



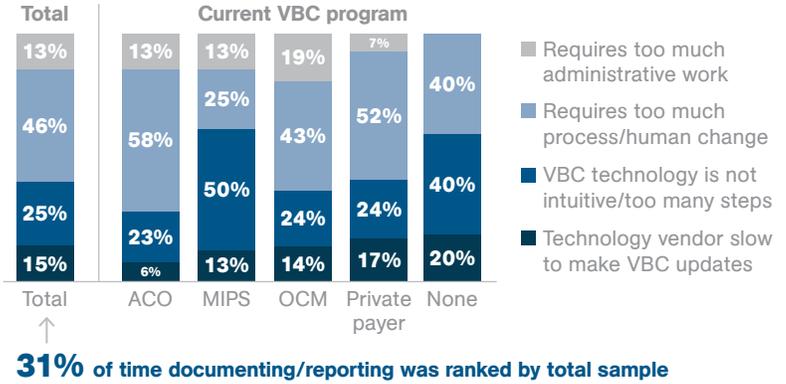
What are the top two barriers to your practice succeeding in a value-based care program?



DID YOU KNOW

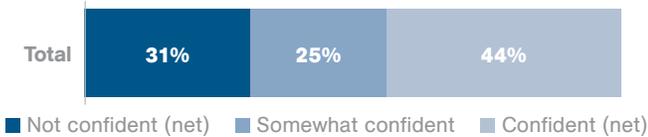
For the fourth consecutive year, McKesson has been designated as a 2020 Qualified Clinical Data Registry (QCDR) by CMS. This means practices can report clinical quality measure data directly to CMS through data captured within its industry-leading oncology-specific electronic health record, iKnowMedSM. In addition, six oncology-specific custom QCDR measures were proposed by McKesson and approved by CMS. The new measures are either outcome or high-priority measures that CMS has recognized as important areas to monitor because they impact patient care and, in many cases, the cost of care.

Regarding your answer about documenting/reporting or other challenges with technology being one of your practice's top barriers, which of the following statements best describes your experience?

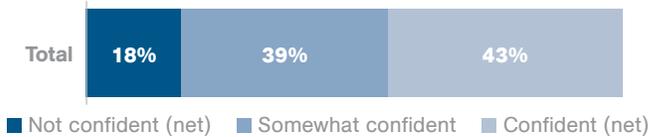


How confident are you ...?

... that your practice will be able to execute MACRA/MIPS requirements and achieve financial success?



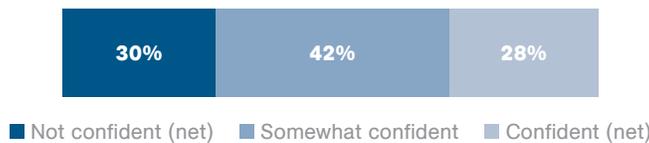
... that your practice will be able to execute OCM requirements and achieve financial success?



98%
of providers

in The US Oncology Network participating in MIPS achieved Top Tier performance.

... in moving to OCM two-sided risk?



78%
of practices

in The US Oncology Network participating in the OCM have chosen to move to two-sided risk.

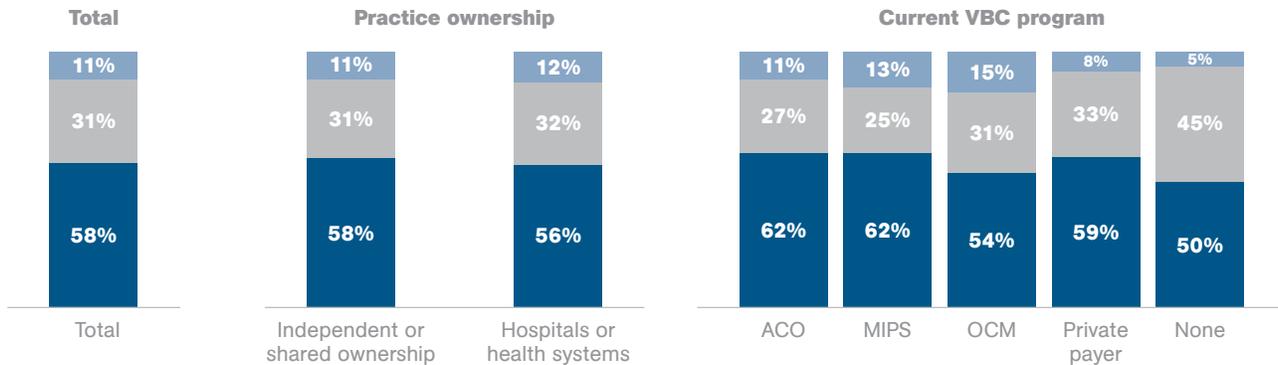


Documentation, reporting and technology

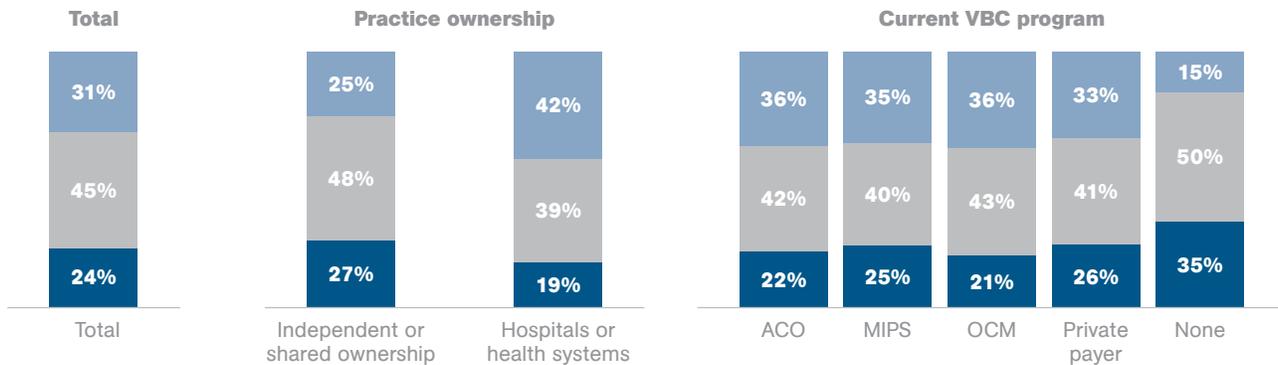
Not surprisingly, documentation and reporting requirements continue to be burdensome, but technology is making strides to make it easier.

McKesson’s comprehensive value-based care solution includes technology that enables value-based care participation and bonus point eligibility, including MIPS and OCM dashboards; OCM navigation; and custom, oncology-specific QCDR measures.

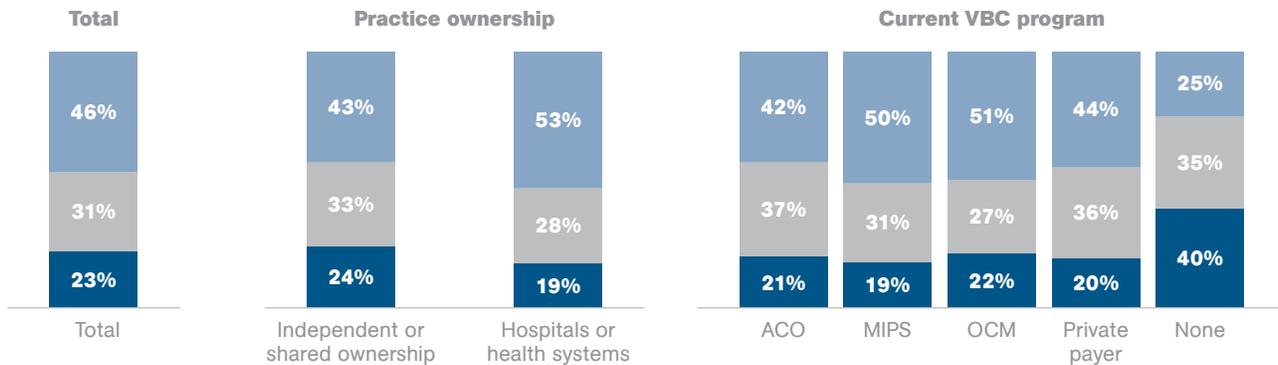
Value-based care documentation and reporting requirements are easy to implement and accomplish.



The results and data I receive from my value-based care program are actionable in helping me continue to improve my performance.



Technology solutions companies, like my EHR vendor or other analytics platform, help ensure I achieve my value-based care goals.



■ Disagree (net) ■ Neutral ■ Agree (net)



What element of MIPS is the most challenging, and why?

“It requires one to two full-time staff to comply. It does increase the financial burden on the practice with the limited resources we have.”

Practice Founder,
Independent or shared ownership

“Data capture, particularly of information that does not appear to be directly relevant to patient care in the everyday clinic setting.”

Practice Founder,
Independent or shared ownership



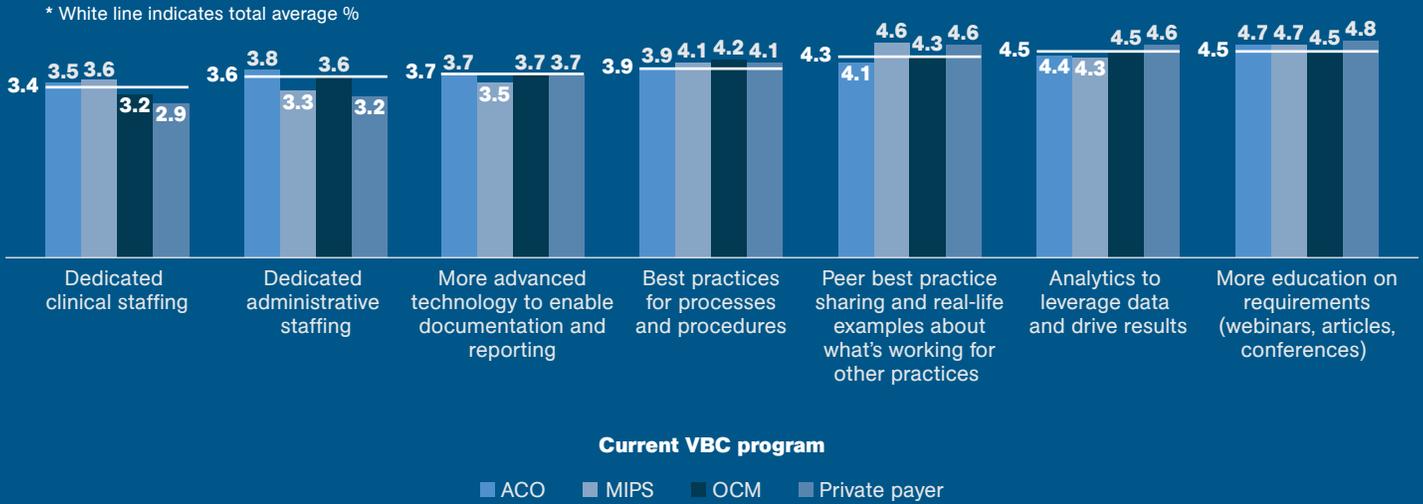
**More advanced
technology
to enable
documentation
and reporting**

is among the most
important resources
to ensure success in
value-based care.

Resources and tools

The trend of clinical and administrative staffing holds as the top ranked resource for value-based care success.

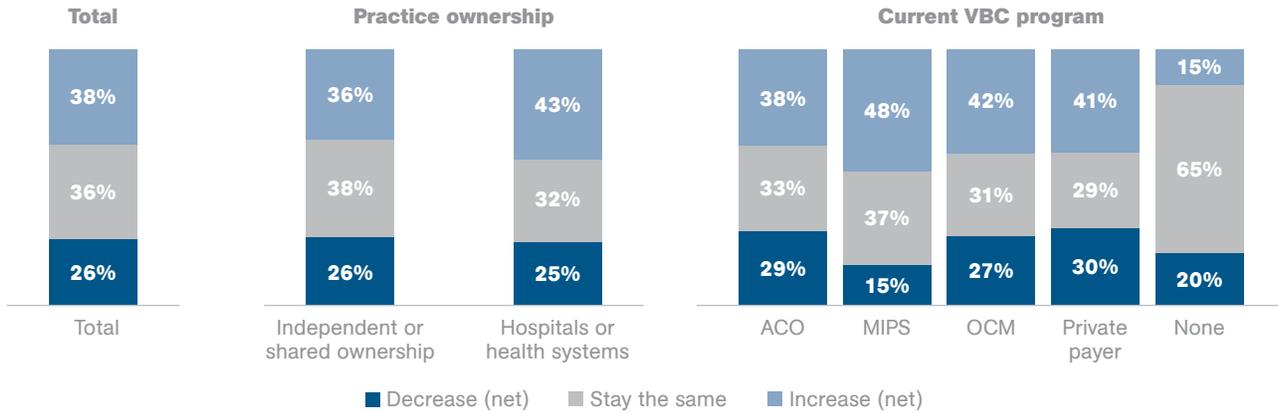
Which resources will ensure your success in value-based care? Rank from most important to least important.



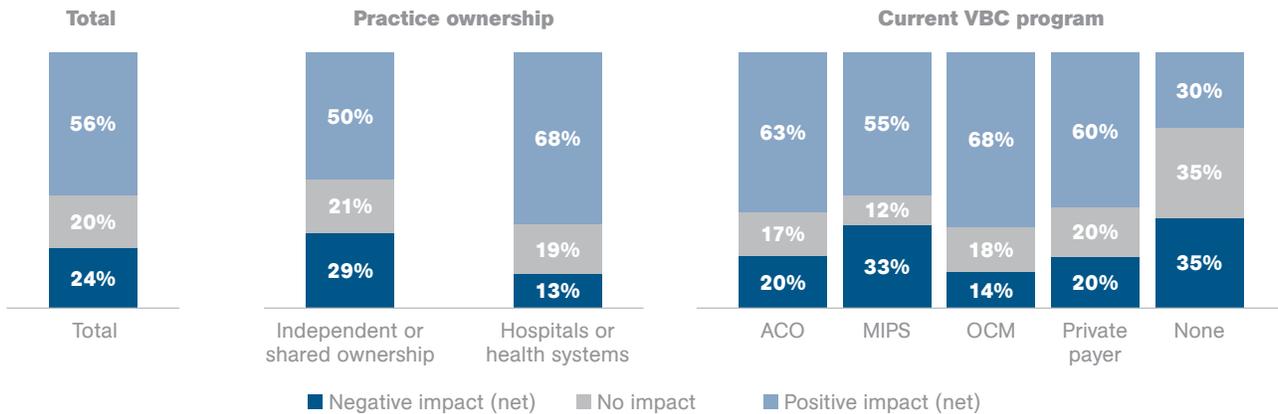
The future of value-based care

Our research found mixed reviews on how value-based care programs will impact healthcare and oncology in the future, but a majority believe alternative payment models are here to stay with commercial plans adopting programs broadly in just two to three years.

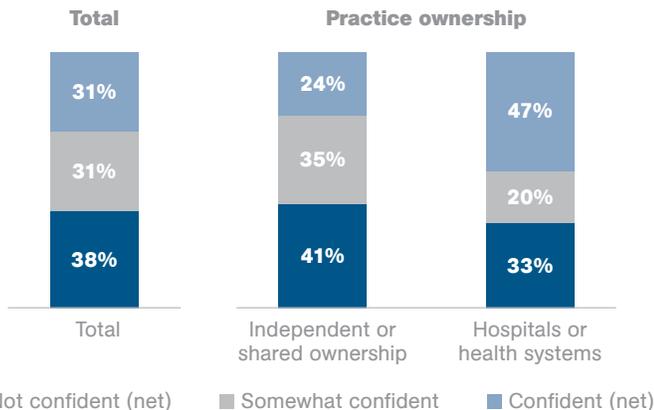
On a net basis, what effect do you believe value-based care will have on the overall healthcare system costs in the future?



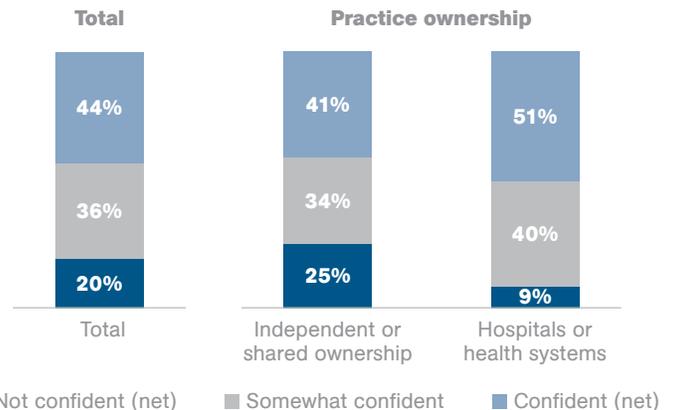
How do you see value-based care impacting oncology care over the next 2-3 years?



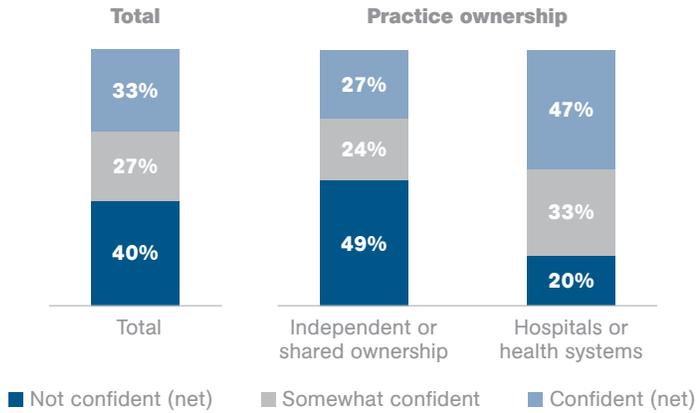
How confident are you that MACRA/MIPS will improve patient outcomes in the long term?



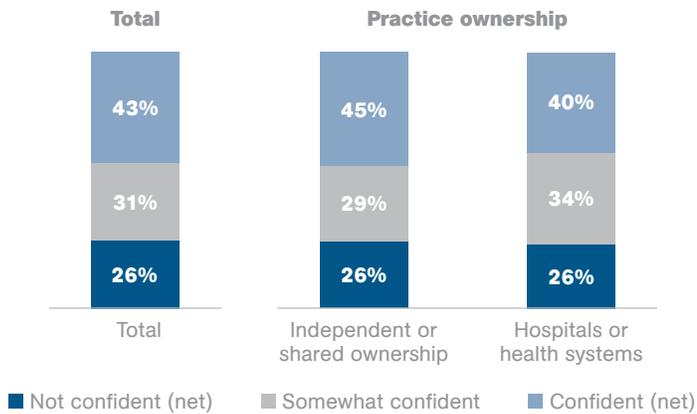
How confident are you that OCM will improve patient outcomes in the long term?



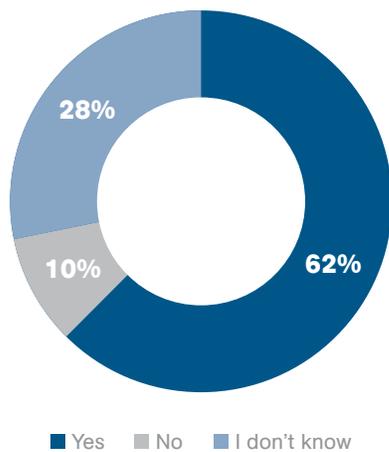
How confident are you that MACRA/MIPS will reduce total cost of care in the long term?



How confident are you that OCM will reduce total cost of care in the long-term?



Is value-based care here to stay?



What innovative value-based care strategies are you working on with private payers?

“Pathway adherence, drug costs, and specific reportable quality metrics.”

Practice Founder, Independent or shared ownership, ACO and MIPS



What's one thing related to value-based care you wish you could solve but don't have time to tackle?

“Developing data-driven metrics to leverage patient care and outcomes. Educating medical and non-medical staff on value-based medical care and educating patients that value is different than cost.”

Oncologist, Hospitals or health systems, OCM





Ask us how we can help.

It's critical everyone at the practice embraces a culture where value and quality are seamlessly woven into the care delivery process. At the same time, we can't ignore that significant resources are needed to perform well in these complex programs. By providing innovative solutions that bring together expertise and technology, we're enabling practices to remain strong and viable.

Comprehensive value-based care support from McKesson includes:

- One-on-one support from our team of expert advisors
- Monthly MIPS customer-exclusive webinars and Q&A sessions
- Technology that enables value-based care participation and bonus point eligibility, including MIPS and OCM dashboards; OCM navigation; and custom, oncology-specific QCDR measures
- Online access to tools and resources in the Customer Center



Ready to learn more?

Contact your account executive or email us at SpecialtyProvider@mckesson.com.



**McKesson Corporation Pharmaceutical
Services and Solutions**

6555 State Hwy 161
Irving, TX 75039

**SpecialtyProvider@mckesson.com
www.mckesson.com/specialty/value-based-care**

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