



**2020 NCODA Fall Summit**

# Healthcare in Times of Unpredictability: Managing Your Practice Through Change

**Barbara McAneny, MD, MACP, FASCO**

Chief Executive Officer | New Mexico Cancer Center

Former President | American Medical Association

**#NCODASummit20**

# What is not changing?

Wildfires in the West

Hurricanes in the South

Covid Everywhere

Craziness in DC

Insurance companies being predatory

CMS lowering the conversion factor by \$3.80 and raising the HOPPS market basket



# Setting the stage: The Medical Industrial Complex

Highly profitable health care system

Demographics

Inequitable, even before Covid

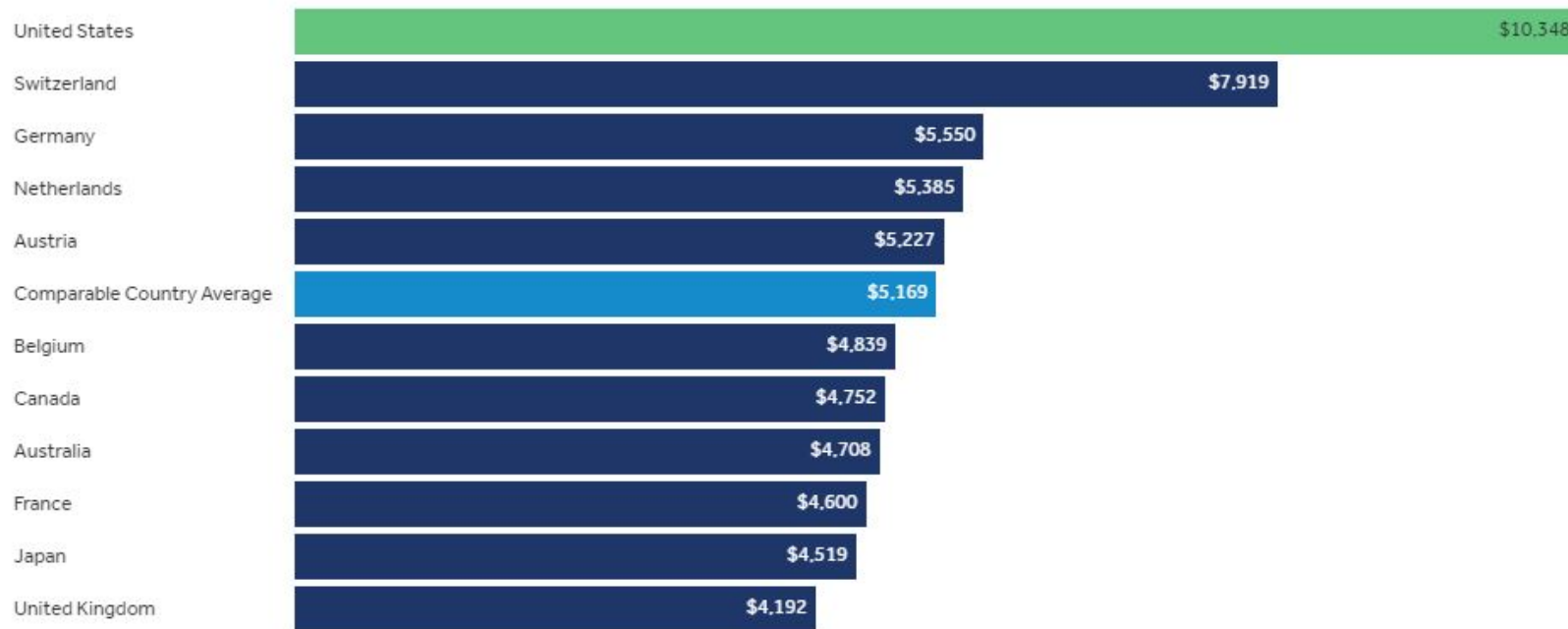
Workforce issues



# U.S. health care by far most expensive on Earth

On average, other wealthy countries spend about half as much per person on health than the U.S. spends

Total health expenditures per capita, U.S. dollars, PPP adjusted, 2016



The US value was obtained from the 2016 National Health Expenditure data

Source: Kaiser Family Foundation analysis of data from OECD (2017), "OECD Health Data: Health expenditure and financing: Health expenditure indicators", OECD Health Statistics (database) (Accessed on March 19, 2017). • [Get the data](#) • [PNG](#)

Peterson-Kaiser  
**Health System Tracker**



2020 NCODA Fall Summit

#NCODASummit20



# Too many priced out of health care in U.S.

**4 in 10 adults** with health insurance have difficulty affording their deductible

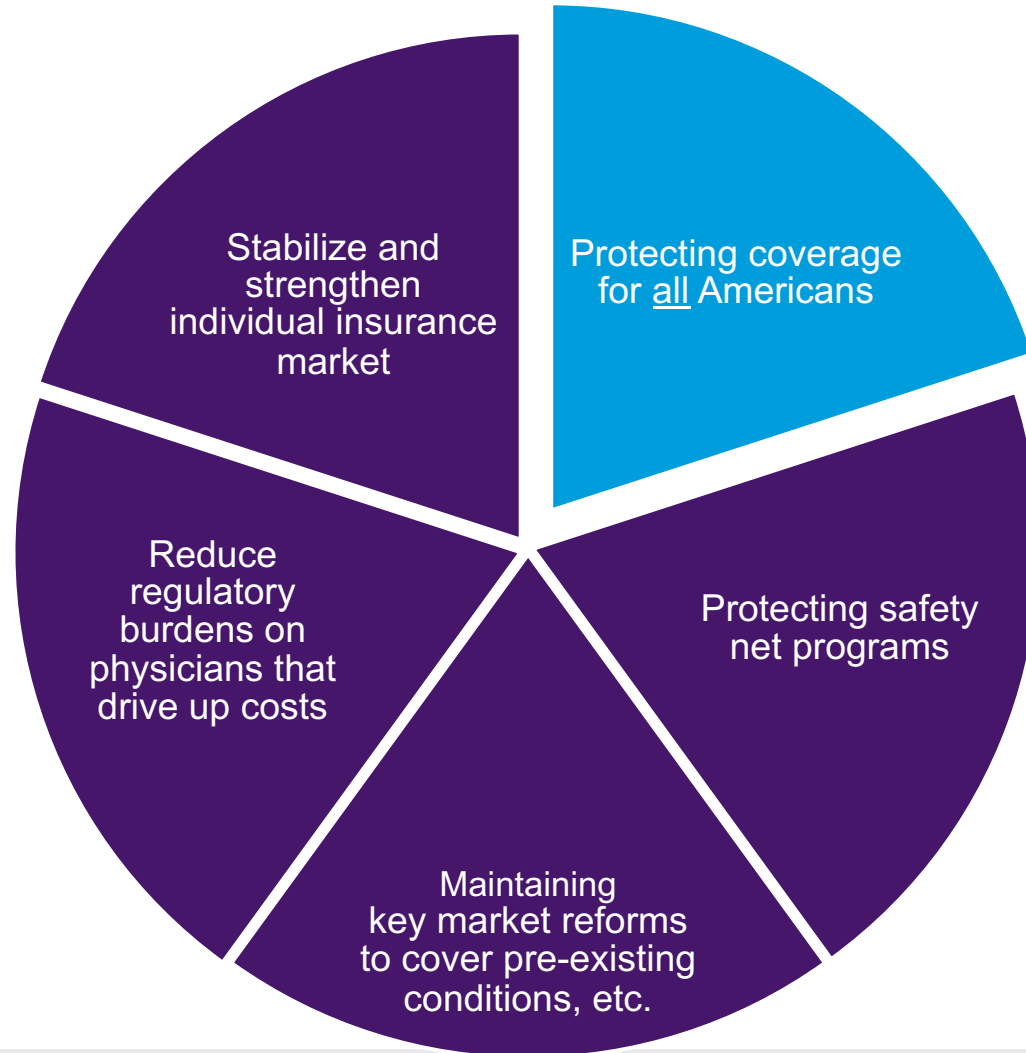
**1 in 3** has trouble affording his or her premiums

**3 in 10** report problems paying medical bills to the extent they cut back in other necessary areas (food, etc.)

Majority of bankruptcies in U.S. result of medical emergency or illness



# AMA priorities for health care reform



# Commercial health insurance market is becoming less competitive

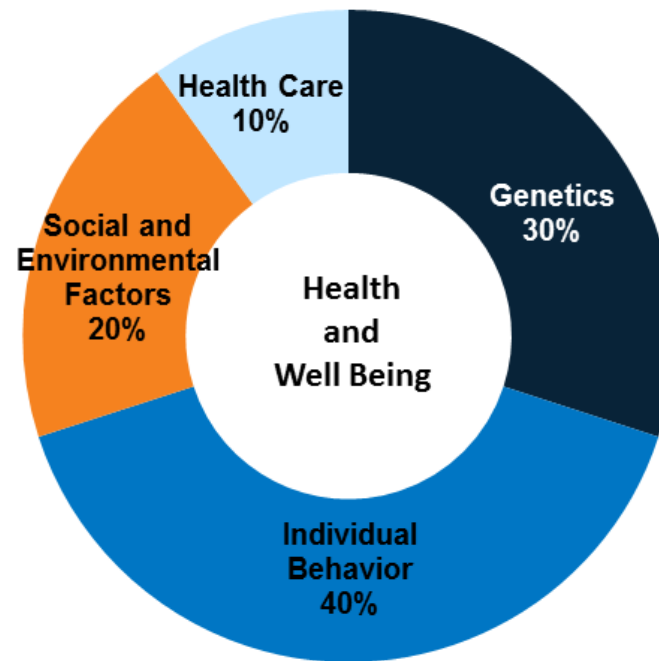
- Anthem is the dominant player, with the top market share in 75 MSAs
- Health Care Service Corp. ranks second, with a market share lead in 40 MSAs, followed by UnitedHealth Group (27 MSAs)
- North Dakota, Alaska, Louisiana, Indiana and Utah lost the most competition between 2016 and 2017



# Social determinants of health

Figure 2

Impact of Different Factors on Risk of Premature Death



SOURCE: Schroeder, SA. (2007). We Can Do Better — Improving the Health of the American People. *NEJM*. 357:1221-8.

**KFF**  
HENRY J KAISER  
FAMILY FOUNDATION



# Fighting efforts to erode patient protections under ACA

*Texas v. United States:*

What's at stake:

- Pre-existing condition protections
- Coverage for children until age 26
- Insurers no longer held to 85% medical loss ratio
- 100% coverage for certain preventive services would cease
- Annual and life-time dollar limits could be reinstated, leading to more bankruptcies

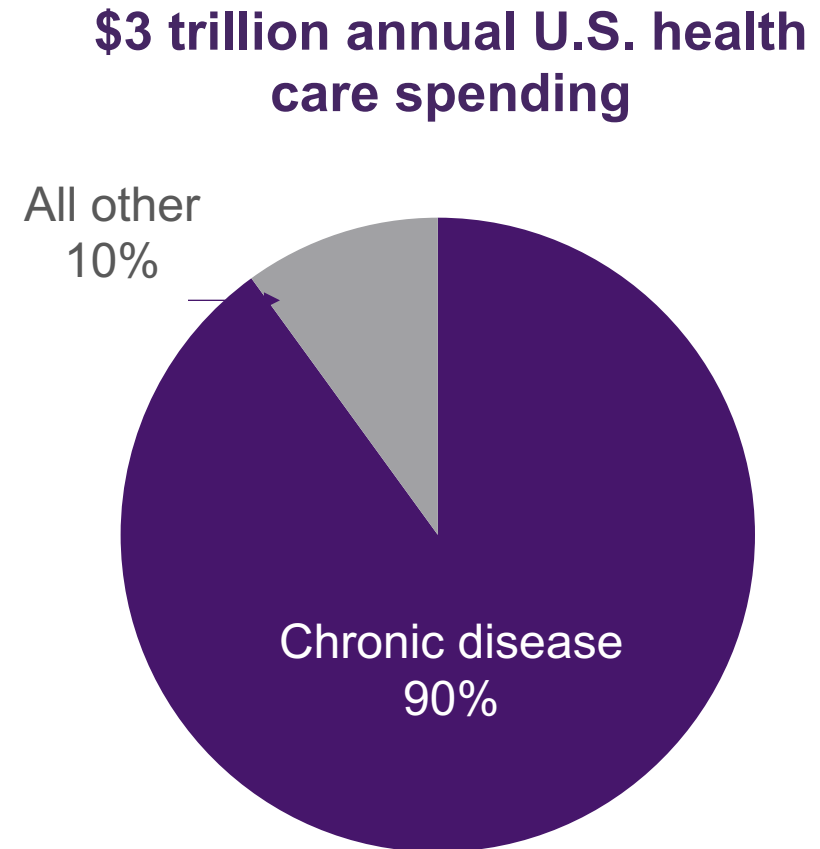
AMA filed an amicus brief in opposition to plaintiff arguments and is working to reverse the December 2018 district court decision.

## Physician Orgs Defend Coverage in Texas v. United States Court Filing

IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF TEXAS FORT WORTH DIVISION	
TEXAS, WISCONSIN, ALABAMA, ARKANSAS, ARIZONA, FLORIDA, GEORGIA, INDIANA, KANSAS, LOUISIANA, PAUL LEPAGE, Governor of Maine, GOVERNOR PHIL BRYANT OF THE STATE OF MISSISSIPPI, MISSOURI, NEBRASKA, NORTH DAKOTA, SOUTH CAROLINA, TENNESSEE, UTAH, WEST VIRGINIA, NEILL HURLEY, and JOHN NANTZ,  Plaintiffs	Civil Action No.: 4:18-cv-00167-O
v.  UNITED STATES OF AMERICA, UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES, ALEX AZAR, in his Official Capacity as SECRETARY OF HEALTH AND HUMAN SERVICES, UNITED STATES INTERNAL REVENUE SERVICE, and DAVID J. KAUTTER, in his Official Capacity as Acting COMMISSIONER OF INTERNAL REVENUE,  Defendants	

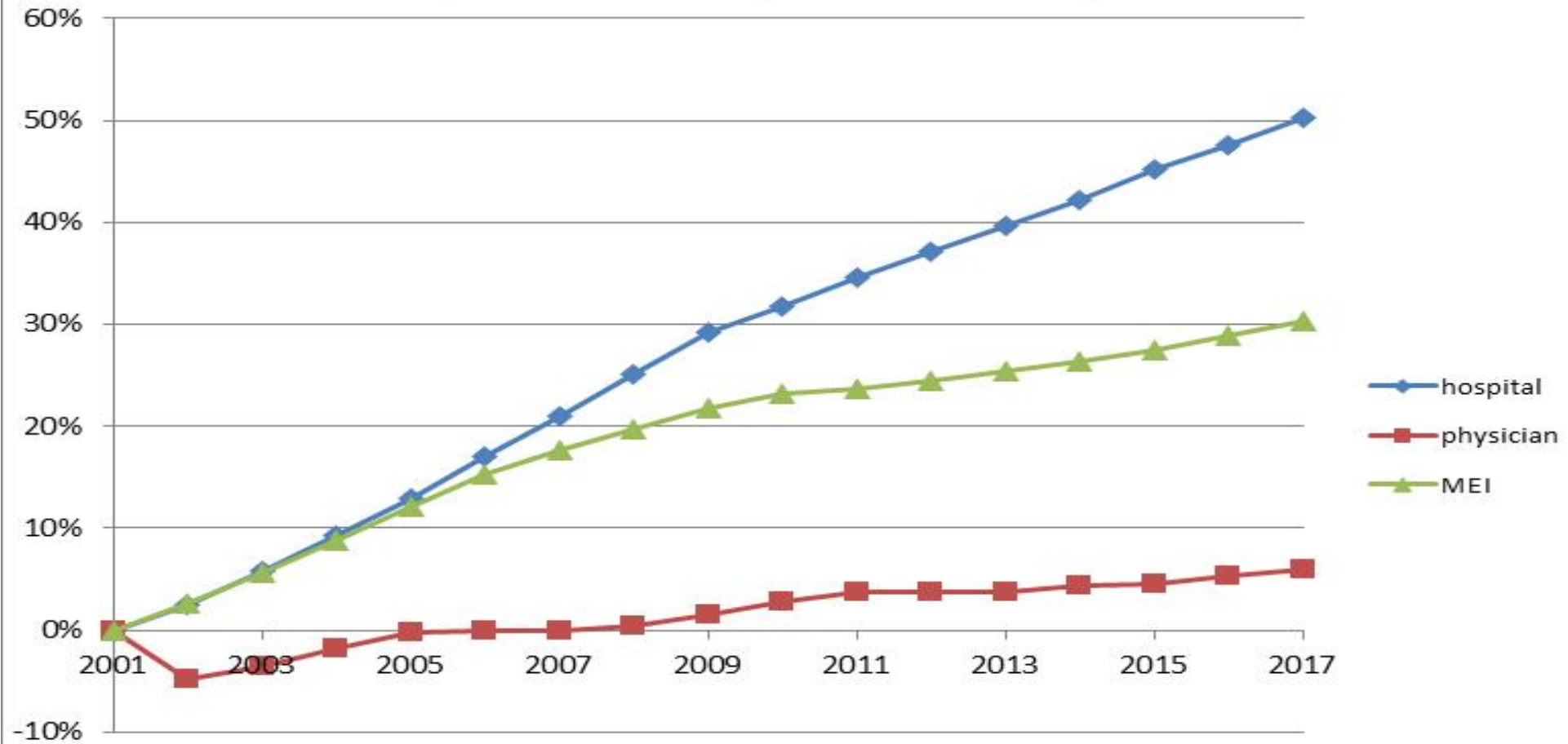
# The human and financial toll of chronic disease in the U.S.

- Half of American adults have one or more chronic conditions
- Heart disease, stroke and diabetes are among the top 10 leading causes of death and disability in the U.S.
- Chronic diseases may negatively affect health, quality of life, and productivity



Source: CDC

## Cumulative Medicare Updates Since 2001 - Physicians Compared to Hospitals



Source: Medicare Trustees' Reports

# So what is a practice to do?

## Consolidation

Are you the only independent practice left?

How much market share do you have?

Solutions?

NCCA, QCCA

AON, One Oncology

USON





A photograph of three healthcare professionals, two women and one man, all wearing white lab coats and stethoscopes. They are gathered around a tablet computer, looking at the screen with focused expressions. The woman on the left is holding a clipboard. The background is a blurred clinical setting. The entire image has a purple and blue color overlay.

# Confronting the public health crises of our time

# So what is a Practice to do?

COVID: “Cancer doesn’t wait for COVID”

PPE

Telemedicine

Remote work for non-patient facing personnel

PPP loans

Covid Emergency relief funds

Social determinants: patients and staff



# So what is a Practice to do?

Alternative Payment Models

RO APM

OCM

to risk or not to risk?

OCF??

Will it be?

What will it be?

Local and national commercial payer models



# What are the challenges for academic or Hospital based practices?

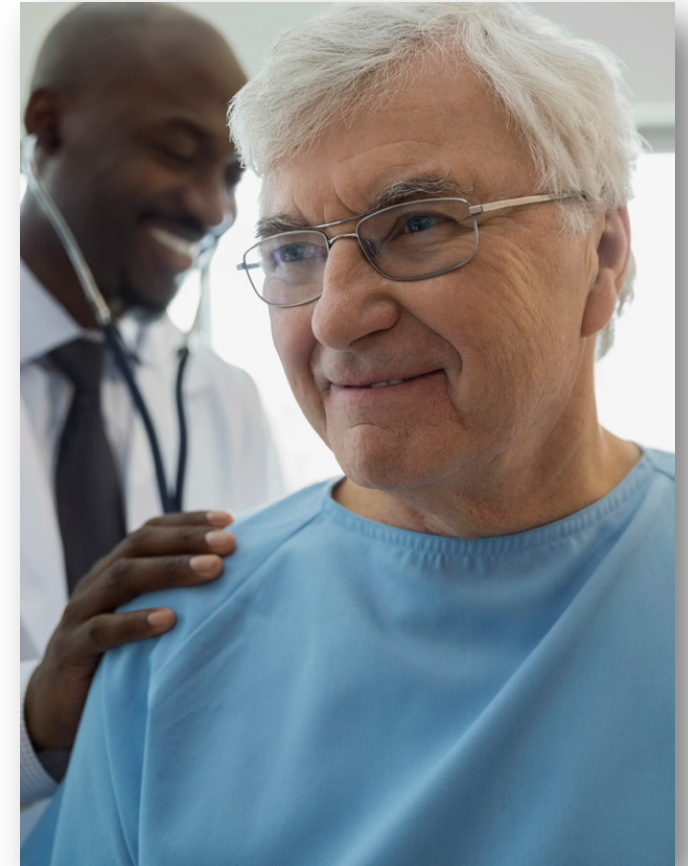
1. Narrow networks
2. Proposed changes for transparency for hospitals
3. 340b legislative changes
4. Patients vs research vs teaching



# Medicare physician payment reform

## What we're doing about it:

- Advocating for payment system changes that support improvements in care rather than simply add new administrative burdens.
- Working to simplify administrative requirements in payment models to improve professional satisfaction.
- Expanding payment model options for physicians in all specialties.
- Developing simple, straightforward educational material to help physicians succeed under new payment models.





# So what is a Practice to do?

Medicare:

- 3.8% decrease in CF

- More Medicare Disadvantage

- MIPS

- New codes for continuity of care and chart prep



# What is a practice to do?

## Drug Prices

Take a hard look at acquisition costs vs ASP

What is your drug margin/payer?

PBM's

340b

White bagging and Brown bagging

Home Infusion?

Cost of Infusion in your office



# What is an Academic Practice to do?

1. Research processes need to be re-evaluated
  1. How fast are you at completing trials?
  2. Can you include community patients?
2. Referral practices are key
  1. Referral is a two way street
  2. communicate
3. Don't assume the movement to value based care will pass you by.





# The need for drug price transparency

- **Pharmaceutical companies:** public notice of drug price increases and provide justification for price increases; publicly disclose a variety of information (e.g., R&D, production, marketing and advertising costs)
- **Pharmacy benefit managers (PBMs):** disclosure of rebate and discount information, financial incentive information, and P&T committee information; applying manufacturer rebates and pharmacy price concessions to drug prices at the point-of-sale
- **PBMs and health plans:** improved transparency in formularies, cost-sharing and utilization management requirements; restrict mid-year formulary changes

# What is a practice to do?

Social Determinants

Your patients?

Your staff?



# What is a practice to do?

## Work force

- Shortage of physicians

- Workload per physician

- Support staff per physician

- Academic Bias of fellowships

- Building your referral base



# Now the scary part:

Part A trust fund hits 0 in 2024

CBO predicts \$6T on health care

Loss of insurance with loss of jobs

70% Medicare for oncology practices



# Remember:

- Community Oncology is the low cost high quality alternative for health care
- Academic practices need to train their own competition, find the new treatments and treat patients all at the same time: can you do all that alone?



# Action Items

- Be Lean
  - Be Assertive in your contracting
  - Join with other practices
  - Join with county state and national advocacy groups!
- WE CANNOT DO IT ALONE, BUT WE CAN DO IT TOGETHER