



American Society of Clinical Oncology

**CONSOLIDATED PAYMENTS FOR ONCOLOGY CARE:
Payment Reform to Support Patient-Centered Care for Cancer**
*Perspectives from
ASCO Payment Reform Workgroup Members*

For the past year, a group of dedicated oncologists, with representation across the spectrum of practice settings (including private practice, hospital-based, large groups, and academic), have worked on developing a patient-centered alternative to the current Medicare physician payment reimbursement system. The result of this effort by the ASCO Payment Reform Workgroup is *Consolidated Payments for Oncology Care: Payment Reform to Support Patient-Centered Care for Cancer*.

Payment Reform Workgroup members share their views on this effort and the need to replace the current fee-for-service system with a system that reflects the current realities of oncology practice and ensures high-quality care for patients with cancer.

“I and 16 other oncologists and practice administrators from across the country have worked very hard for nearly a year to develop this proposed payment model. The members of the group represented both small and large community oncology practices, hospital-based practices, and academic practices, in order to ensure that the proposal would be feasible and beneficial for all sizes and types of oncology practices. We believe this proposal can solve many of the problems with the current fee-for-service payment system and give oncologists the ability to continue providing high-quality cancer care for their patients into the future.”

Jeffery Ward, MD

*Swedish Cancer Institute Edmonds, Edmonds, WA
Chair, ASCO Payment Reform Workgroup
Immediate Past-Chair, ASCO Clinical Practice Committee*

“For years we have been questioning the pitfalls of our current payment system, as we have furiously worked in our busy practices to provide the type of care our patients deserve. The new model offers a simplified system that better matches our payments to the time and costs of providing complex and evidence-based oncology care. It gives practices the flexibility needed to put the patient’s care at the center of our daily efforts. Now is the time to be bold, to leave behind a system that has not been appropriate for us or our patients, and to press forward with the new ASCO-developed payment system that rewards high-quality cancer care.”

Anupama Kurup Acheson, MD

*Providence Oncology and Hematology Care Clinic, Portland, OR
Chair, ASCO Clinical Practice Committee*

“No payment system is perfect, but I believe that the payment system proposed by ASCO would represent a dramatic improvement over the way oncology practices are currently paid. I hope that Medicare and commercial payers will work collaboratively with ASCO and oncology practices to pilot the new payment system with willing practices, make any refinements needed, and then make it available to all oncology practices that want to use it to support high-quality cancer care for their patients.”

Robin Zon, MD, FACP, FASCO

*Michiana Hematology Oncology, South Bend, IN
Chair-Elect, ASCO Clinical Practice Committee*

“The current payment model ties reimbursement to a physician visit. This system restricts the organization of care in the clinic. The ASCO payment proposal will allow practices the flexibility to innovate and adjust how oncology care is delivered. This will allow the growth of care teams and maximize the skills of nurses, nurse practitioners, and physician assistants. As practices embrace larger “team” concepts, patients will experience more contact with team members who can best help them, and higher quality and more coordinated care from the entire team.”

John Cox, DO, FACP, FASCO, MBA

Texas Oncology Methodist, Dallas, TX

“Under the payment model proposed by ASCO, oncology practices that deliver high-quality care would be paid more, allowing them to further invest in services that significantly improve quality. ASCO’s payment proposal would encourage collaboration among oncology practices to improve the quality of care. Payments to oncology practices would be based on their performance relative to standards defined in advance, not based on whether they do slightly better than other practices during the current year.”

Michael Diaz, MD

Florida Cancer Specialists and Research Institute, St. Petersburg, FL

“While our patients have benefitted from progress in cancer care, payment models have not similarly matured, resulting in a myriad of unintended consequences. Practices are closing because they can't meet payroll or pay the bills at the end of the month and oncologists are working all hours of the day with reduced ancillary support. The ASCO payment system proposal seeks to finally align the physician's effort, and that of the healthcare team, toward better coordinated use of time and resources to provide the best care for cancer patients in the most vulnerable period of their lives.”

Omar Eton, MD

Boston University Medical Center, Boston, MA

“The payment model proposed by ASCO would better match payments to the time and costs of high-quality care that an oncology practice delivers during each phase of the treatment process. In particular, it could help practices accept additional new cancer patients by compensating them more appropriately for the time involved in diagnosis and treatment planning for new patients. Further, this payment model has the flexibility to be utilized in all varieties of practice environments—community practices, hospital-based, and academic settings, both large and small.”

James Frame, MD, FACP
Charleston Area Medical Center, Charleston, WV

“ASCO’s payment system would, for the first time, explicitly recognize the need to support the additional costs that oncology practices must incur for data collection and monitoring of patients during clinical trials. This will help to encourage and support the kind of research needed to develop new, more effective treatments and help oncologists and patients reduce the burden of cancer.”

Denis Hammond, MD
Community Oncologist, Hooksett, NH

“Although the ASCO payment model does not impact the current buy-and-bill drug reimbursement system, it does enable a more robust payment structure where there can be less financial dependence on drug payments as a revenue source going forward. Further, the ASCO payment model moves away from traditional fee for service and would complement other payment reforms that support Oncology Medical Homes, Accountable Care Organizations, and Shared Savings plans.”

Daniel M. Hayes, MD
Maine Center for Cancer Medicine, Scarborough, ME

“Many of the important services that patients receive from oncology practices aren’t reimbursed by Medicare or commercial health insurance, such as phone calls and emails with their oncologist to ask questions, education by nurses about how to deal with the side effects of chemotherapy, financial assistance in paying for expensive medications, etc. Under the proposal developed by ASCO, payments would cover the full range of services oncology practices provide, not just office visits and drug infusions.”

John Hennessy, CMPE
Sarah Cannon Cancer Services, Kansas City, MO

“Under the present system inadequate payment for time spent with patients leads to over-reliance on revenues from drugs and ancillaries. By replacing this system with 11 monthly billing codes which match the services oncologists provide and patients need, the ASCO proposed payment plan removes the dependence of oncology practices upon drug margins.”

Andrew Hertler, MD, FACP
Harold Alfond Center for Cancer Care, Augusta, ME

“In order to be paid for cancer care today, oncology practices are required to submit bills for services using a complex set of over 50 narrowly-defined procedure codes. In many cases, these codes have not evolved to reflect new ways oncology practices have developed to help patients with their cancer. ASCO’s proposed new payment system would replace this with a much simpler system using 11 billing codes that better match the types of services oncologists provide and that patients need. This would also reduce administrative costs for payers and physicians and simplify cost-sharing for patients.”

Roscoe Morton, MD
Medical Oncology & Hematology Association, Des Moines, IA

“First and foremost, ASCO's payment model would benefit the cancer patient. It provides a more stable payment structure that supports a physician-led team approach that is required in today's cancer clinics that offer comprehensive, value-driven, high-quality cancer care. ASCO's proposed payment system would, for the first time, reward oncology practices that deliver high-quality, evidence-based care to their patients that achieve the best outcomes for the patients.”

Ray Page, DO, PhD, FACOI

Center for Cancer and Blood Disorders, Fort Worth, TX

“The focus of ASCO’s proposal is on compensating physicians and practices for the work performed and services provided based on the type of care provided, rather than the “a la carte” model that currently exists. The current model incentivizes physicians to do more and provide more expensive care. ASCO’s model removes those incentives, encouraging the physicians and other members of the care team to provide the highest quality care at all times, rewarding quality and value over high volume/high cost care.”

W. Charles Penley, MD, FASCO

Tennessee Oncology, Nashville, TN

“The high cost of healthcare in the U.S. is a serious problem for government, businesses, and patients, and ASCO members are committed to finding ways of controlling spending on cancer care without harming patients or jeopardizing the viability of high-quality, independent oncology practices. ASCO’s proposed payment model is explicitly designed to give oncology practices the flexibility, tools, and incentives they need to redesign care in ways that would slow the growth in cancer spending while improving the quality of care for patients.”

Blase Polite, MD, MPH

The University of Chicago—Oncology, Chicago, IL

“With ASCO's new payment model, oncologists would finally be paid for the services they actually perform. The system reduces reliance on the ever-shrinking drug margin to support a quality driven system of patient care. The new system also includes a much-needed payment to practices for cancer patients who participate in clinical research.”

Christian Thomas, MD

Maine Center for Cancer Medicine, Scarborough, ME

“Oncologists should have the freedom to choose the best treatment for their patients without worrying about whether the choices they make about the types of drugs they use or how those drugs are administered would financially harm their practice or patients. Under ASCO’s proposal, payment would be better matched to the costs oncology practices incur when delivering different types of high quality cancer treatment rather than being dependent upon the drugs selected. This payment system supports the development of comprehensive treatment plans which meet all the needs of the patient.”

Dan Zuckerman, MD

St. Luke’s Mountain States Tumor Institute, Boise, ID