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Findings at a Glance

Oncology Care Model (OCM)

Final Evaluation: Performance Periods 1 to 11

MODEL OVERVIEW

OCM encouraged participating practices to improve care and lower costs through an episode-based payment model that financially incentivized high-quality, coordinated care.

The Oncology Care Model tested a two-part payment system:

- ✓ CMS provided Monthly Enhanced Oncology Services (MEOS) payments of $160 per month during 6-month chemotherapy episodes to assist participating practices in effectively managing and coordinating care.
- ✓ Performance-based payments incentivized practices to lower the total cost of care and improve quality for beneficiaries during chemotherapy episodes.

PARTICIPANTS

The practices that participated in OCM committed to provide enhanced services to Medicare beneficiaries such as care coordination, patient navigation, and national treatment guidelines for care.

4,500+ Oncologists

202 Practices

Active participation in 33 States

1 in 4 FFS Medicare Chemotherapy Patients

KEY TAKEAWAYS

OCM reduced average total episode payments, primarily through improved use of high-value supportive care drugs among higher-risk cancer types. These reductions were offset by Model incentive payments, resulting in net losses, though net losses diminished over time as payment reductions grew. Practice-reported process measures of quality improved, but this did not translate to improved patient-reported or claims-based quality outcomes.

Clinicians and patients agreed on the importance of communication and flexibility

Oncologists reported the following activities as having the greatest impact on patient care

- ✓ Proactive outreach to high-risk patients
- ✓ Calling to monitor side effects and refill needs for patients with oral chemotherapy drugs
- ✓ Meeting patients' urgent needs through same day appointments and evening/weekend hours

Patients highlighted the following areas as being important in cancer treatment

- ✓ Communication was key driver of satisfaction with cancer care team
- ✓ Most patients wished to be active participants in treatment planning, while others preferred to defer to their doctor's judgement. However, several declined recommended treatments and sought second opinions.
- ✓ In considering treatment options, patients stressed the importance of living situation, available social support, and geographic proximity to treatment

This document summarizes the evaluation report prepared by an independent contractor. To learn more information about OCM and to download the Final Report, visit https://innovation.cms.gov/initiatives/oncology-care/

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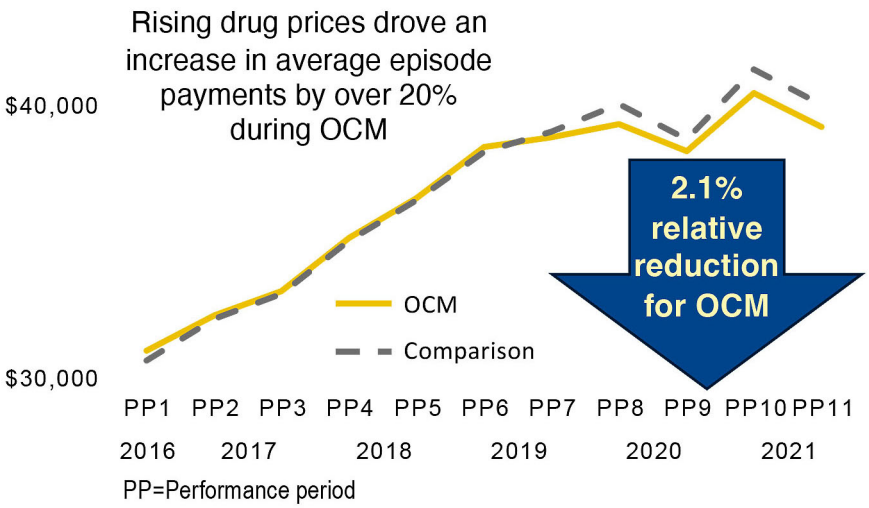
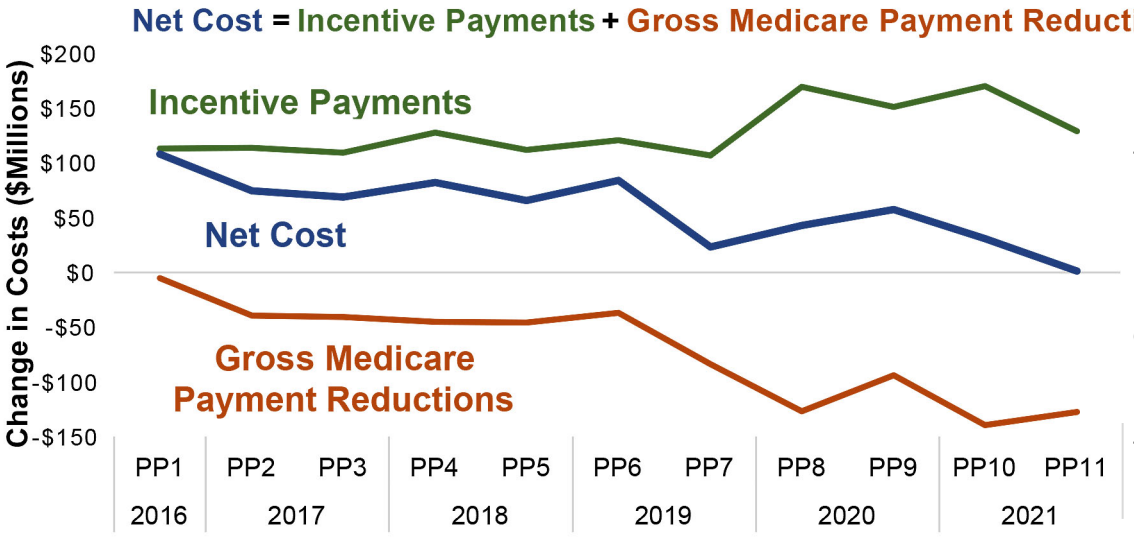
PAYMENT FINDINGS

OCM payment reductions were greatest in the final two years of the Model



- Payment reductions attributed to OCM were largest in the first half of 2021, reaching -$1,317 per episode (a 4.5% relative reduction).
- Reductions were concentrated in four higher-risk episodes (lymphoma, colorectal, high-risk breast, and lung cancers).
- Reductions were driven by higher-value (more cost-conscious) use of supportive care drugs to prevent neutropenia and cancer-related bone fractures.
- OCM led to significant reductions in Part D drug payments in the final two years of the Model.

Despite reduction in total payments, OCM resulted in net losses for Medicare



Gross Medicare payment reductions nearly doubled in Performance Periods 7 to 11 relative to prior periods

Performance-based **incentive payments** increased sharply in Performance Period 8 due to higher payment reductions and Model policy changes, but decreased in later periods

Increased **incentive payments** offset the increased **reductions in Medicare payments**, resulting in **net costs to Medicare**

Incentive payments included performance-based payments for achieving cost and quality benchmarks and monthly per-beneficiary payments for enhanced oncology services. Since the monthly payments were paid even if participants did not achieve benchmarks, incentive payments could exceed gross payment reductions.

QUALITY FINDINGS

Practice care transformation activities did not always lead to improvement in clinical and quality outcomes

Patients rated their cancer care team 9.3 out of 10 at the start of OCM and scores remained high through the model. Patient-reported care team management of pain and depression did not improve over time despite improvements in practice-reported measures of screening for these conditions. OCM practices achieved small increases in timely use of hospice at end of life, and small decreases in ED visits and inpatient admissions, but non-participating practices achieved similar improvements despite the lack of OCM incentives.