The 2016 Genentech Oncology Trend Report

Editor Top Picks

Cancer Drug Spending & Revenue

- Presented with the same list of 14 cancer care issues, all stakeholders chose control of overall cancer care costs and control of cancer specialty drug costs among the top three most pressing issues they are facing today.a

- Implementation and investigation of in-practice oral oncology drug dispensing continues to grow; nearly half of the 67 oncology practice managers (OPMs) providing the service reported their patients prefer to obtain their drugs and education from the oncology practice staff. More than one-third of the 67 OPMs have negotiated fees with insurers—separate from evaluation and management fees—for patient education and/or oral drug adherence monitoring.b

Cancer Drug Management Efforts

- Half of the 92 managed care organizations (MCOs) using prior authorization (PA)/precertification noted increased use of this tool over the last year to manage oncology drugs covered under the medical benefit; 69 MCOs employ a narrow specialty pharmacy (SP) network. Both tools lead all others surveyed in effectiveness ratings by MCOs in managing care and controlling drug cost trend.c

- 32 of the 48 MCOs responsible for PA administration have integrated the PA process under the medical benefit with the PA process under the pharmacy benefit, and another three MCOs plan to do so in 2016. Data integration across benefits led all strategies predicted for implementation over the next 12 to 18 months.d

- 23 MCOs have site-of-service steerage tactics currently under way, and 17 additional MCOs are developing them—half of the 23 MCOs address site selection through medical/pharmacy benefit designs, 43.5% utilize case management, and 39.1% use PA or precertification to guide lowest-cost site selection. PA and precertification led the steerage tactics most frequently forecast over the next 12 to 18 months.e

Coverage & Access to Cancer Care

- Measurement of the cost and clinical impact of treatment pathways led the payer/provider initiatives undertaken by 53 MCOs in 2015.f

- Value-based quality initiatives (eg, pay for performance) are under way/piloted at 34 MCOs, and an additional 27 MCOs are investigating options; financial rewards for providers are more common than shared risk. The most common performance metrics include cancer screening, adherence to guidelines/pathways, hospitalizations, and advance care planning/hospice; 38.2% measure chemotherapy administration within the last 2 weeks of life.g

- Eight in 10 SPs (n=25) offer split-fill programs to reduce waste—most calculate the dollar valuation of waste avoidance and track split-fill prescriptions by drug; 61.3% of the surveyed SPs identified these programs as their primary strategy for better cost control.h

- 36.0% of employers require case management for their employees and dependents with cancer in 2015 or likely in 2016, and an additional 35.0% of employers will consider doing so prior to 2018.i

- Four in 10 employers will consider developing a formal second-opinion coverage policy for cancer and requiring a second opinion for diagnosis and treatment planning involving tumor testing using next-generation sequencing (NGS) prior to 2018.j

- Almost one-third of OPMs altered their collection policy regarding out-of-pocket drug payments in light of the trend in patients with high-deductible commercial coverage, and 28.5% are discussing policy changes. OPMs successfully collected all copayments from only an average of 24.5% of patients in 2015.k
Oncology Practice Consolidation, Workload & Staffing

- OPMs from 148 practices reported current implementation or plans to consider one or more reorganizational strategies: enter a hospital joint venture, join/combine with another practice, or sell their practice to a hospital. Withstanding insurance inadequacy and patient affordability in light of the trend toward high-deductible health coverage, as well as ensuring safety and regulatory compliance with the revised USP 797/800 standards concerning sterile compounding and safe handling of hazardous drugs, were among the factors OPMs rated as moderately to very important drivers of reorganization.¹

- Seven in 10 oncologists deliver care assisted by advanced practice providers (APPs), and 30.2% are expanding their roles, encouraging more independence. Six in 10 OPMs saw an increase in patients seen daily by APPs over the last 12 months. APPs work at least 1 day per week (36.5%) or 2 days or more weekly (30.7%) outside of regular practice hours catching up on electronic health record (EHR) updating, care coordination, and e-mails.²

Population Health Management, Including Cancer

- Early cancer detection was promoted by 31.0% of the surveyed employers (n = 62) as part of their wellness initiatives in 2015; 24.2% of them offered financial incentives for cancer screenings.³

Palliative Care & Advance Care Planning

- More than eight in 10 oncologists discuss palliative care with all patients (17.6%), those with metastatic cancer (18.5%), or patients with advanced disease and a short life expectancy (50.2%); most often these discussions occur within 1 month of an advanced-stage diagnosis.⁴

Cancer Survivorship Care

- More than one-half of the oncologists (52.2%; n = 107) are primarily responsible for survivorship program care through their practice. More than half of these 107 oncologists provide a written survivorship care plan to all (32.7%) or some (18.5%) of their patients at the conclusion of active treatment and routinely screen all survivors for psychosocial distress (56.1%) as part of survivorship program care.⁵

Precision Medicine

- Most MCOs do not seek input from molecular pathologists to develop a coverage policy for molecular/biomarker testing (58.0%) and/or NGS (66.0%). MCOs currently support (9.0%) or are discussing (36.0%) an expanded role for molecular pathologists regarding collaboration with oncologists and surgeons and decision support.³

- Eight in 10 MCOs identified a need for tools, such as diagnostic guidelines or pathways, to direct the appropriate use of the broad spectrum of molecular testing available, including guidance on when to test, testing frequency, and specimen adequacy and preparation to support downstream testing.⁴

- Two-thirds of oncologists rated themselves as somewhat knowledgeable about genetic science and the application of NGS-based testing in treatment planning; 31.7% support an expanded role for molecular pathologists.⁵

Health Information Technology & Mobile Health (mHealth)

- Three-fourths of oncologists have EHRs (n = 157), and 44.6% of the systems are oncology-specific. The impact of EHRs on productivity and patient interaction is mixed. Since adoption, 33.7% of oncologists see fewer patients and reported lower-quality interactions (40.8%), while 19.8% see more patients and improved interaction (17.8%).⁶

- mHealth functionality among practices continues to grow. OPMs reported having secure e-mail (74.0%) and secure texting (39.5%) for patient and staff communication, smart phone and table deployment (52.5%), and telehealth visits (25.0%).⁷

For more information, consult the report: