Administrative and Transactional Burdens in Oncology: From the Trenches and the Towers

John E. Hennessy

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

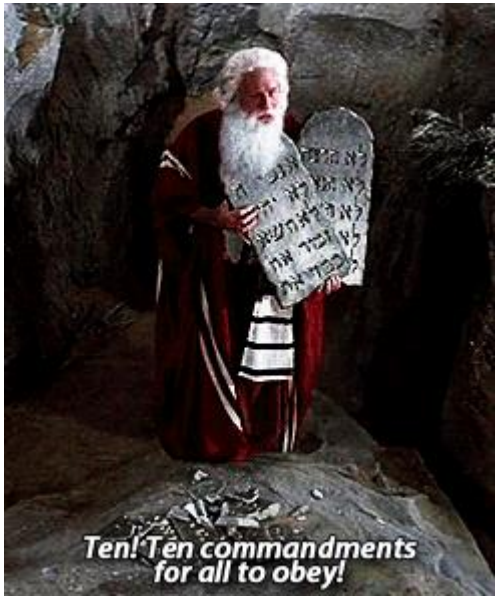
PRESENTED AT: ASCO Annual '15 Meeting

The Trenches

- A systematic review of administrative burdens from the front lines
  - ASCO practice administrators work group
  - COA leadership
  - ACCC listserve

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

15…10…no really 15 burdens (props to Mel Brooks)



SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

Medicare

- When more than half of your business is a burden…
  - SGR, delays and fixes
  - The unknown
  - Obscure and ill-defined rules (chemo/radiation supervision)
  - NCDs and LCDs
  - Risks and refunds

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

Labor

- The biggest single expense (excluding IV drug)
  - Staffing ratios
  - Job descriptions
  - Salaries
  - Certifications, qualifications, credentialing
  - Is the most qualified person doing the job?
  - Health Insurance

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

Revenue Cycle

- It's the life blood of the business, but sometime the part we pretend doesn't exist
  - Account Receivable
  - Patient out of pocket costs
  - Refunds and credit balances
  - Delayed and uncertain transactions
  - Mysterious and non-automatable rules

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

Health Information

- The EHR may not be entirely electronic, nor only about health, nor a complete record
  - The utopian dream of the EHR is unrealized
  - Data interchange is unwieldy, sometimes yielding electronic storage but not electronic interpretation
  - EHR's have as much economic purpose as clinical purpose (PQRS, QOPI, quality metrics)
  - Big Data? Monetization of data?

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

Coding

- Translating what we do into a record of what we do
  - ICD-9 to ICD-10…finally…mostly…
  - CPT, HCPCS, NDC
  - Codes without rules
  - Medicare benefits without codes
  - Reliance on third parties to do their jobs well

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

Pre-certification and Verification

- Are we going to get paid for what we do?
  - Verification becomes more difficult in an environment with more individual and self-insured purchasers
  - Pre-certification rules morph with little warning
  - Rarely can one phone call provide either the breadth or duration of pre-certs an oncology care plan requires

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

IV drug procurement and delivery

- You can’t always get what you want
  - Restricted distribution channels
  - IV fluid shortages; generic drug shortages
    - Reimbursement models exacerbate shortages
  - White bagging
  - Supervision of chemotherapy
    - Supervision in the outpatient hospital infusion suite

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

Oral drug procurement and delivery

- Oral drugs continue to be the fastest growing part of our toolkit
  - Physician practice distribution is both desired and cursed
    - Important clinical and economic role for the practice, but a whole new set of complications
    - A battle still undecided
  - Oral drug adherence

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

Patient Assistance

- "Can't live with it; Can't live without it"
  - Clearly allows access for patients who otherwise would have none; allows practices to keep doors open
  - Extraordinarily complex: brand vs. generic; private payor vs. government payor; uninsured vs. underinsured
  - Financial toxicity

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

Coordination of Care

- Multidisciplinary care offers so much to patients
  - Many cooks, many agendas
  - Biopsy coordination, for example
  - Multiple diagnostic tests
  - Many forks in the road, and toll booths

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

CoC Requirements

- Are we meeting the patients needs or more focused on clearing the hurdles
  - Nurse Navigation: what is it? Where is it? How many navigators does each patient need?
  - Survivorship: Whose plan is it anyway?
  - Distress Screening: Are we prepared to meet the need we have identified
  - NAPBC, ACR, QOPI

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

Clinical Trials

- Never was so much opportunity available to so few (apologies to Winston Churchill)
  - Patient opportunities in clinical trails are very exciting. (LUNG-MAP, I-SPY)
  - Clinical trials operation and management has never been more challenging; eligibility criteria are as strict as ever; fewer accruals
  - What happened to those old AI clinical trials?

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

NGS/ Genomics/Molecular profiling

- Great promise
- Great confusion
- Who is the quarterback?
- What do I do with this report?
- Who pays for this anyway?
- What do we do while we wait?

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

The Involved Patient (and family)

- Patient and consumers are better educated than ever…and worse educated than ever.
  - Patients' needs may exceed practice resources
  - Patients' expectation of what's "included" may be unrealistic
    - What's "free" is different everywhere
  - Patient demands for transparency exceed our ability to keep up

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

OMH/OCM/VBP

- It’s where we are going…but the road is unpaved
  - We have success stories
  - We have freeloaders
  - Can you play have two different care models within your practice?
  - When do you re-engineer?

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

Semifinal thoughts

- We have lots of burdens…and it would be nice to drop five of them
- Some of these burdens are a consequence of a multiple payor approach in our country (see “trade off”)
- We have the opportunity to measure and improve, but we will need to be systematic

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

The Tower

- A brief literature review on administrative burdens in physician practice and the implications for oncology.

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

Prior Authorization costs

- “Practice characteristics and prior authorization costs: secondary analysis of data collected by SALT-Net in 9 central New York primary care practices…”, Epling et al, BMC Health Services Research 2014

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

Epling et al

- 2008 survey estimated the national cost of practice interactions with healthplans was $23-31B/year (Casalino)
- 2008 study showed the cost of support personnel to address billing and insurance issues in primary care practices $85K per physician FTE, or 10% of revenue (Sakowski)
- 2011 study showed $82K per physician FTE, of 4x amount per FTE in Canada (Morra)

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

Epling et al

- SALT-Net recruited 9 New York primary care practices for a deep dive analysis
- 4-6 week study period in the Fall of 2010
- Small practices; 1500-13000 patients; all less than 30% Medicaid; with and without EHR

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

Epling et al

- Results
  - Average of 20 minutes spent per PA
  - EHR users spent 5 minutes less per PA
  - Average cost/PA ranged from $4-20 depending on staff role
  - Projected cost per physician FTE ranged from $900-$5000
  - Cost per medication PA: $1648
  - Cost per radiology PA: $1555

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

Epling et al

- What does it mean?
  - Survey results and actual measurements may yield widely variant results
  - Not all PAs are the same
  - Oncology PAs may be more time consuming and costly than the typical mix of primary care PAs

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

Administrative time/costs

- "What Does It Cost Physician Practices To Interact With Health Insurance Plans?", Casalino et al, Health Affairs, 28, No. 4, 2009

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

Casalino et al

- Surveyed 750 physicians from small practices and 560 physician from large practices
  - 730 PCPs; 580 SCPs
- Surveyed practice administrators from 629 physician groups
- Surveys included: physician survey; administrator survey; and physician-administrator survey

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

Casalino et al

- Findings:
  - Physicians spent 43 minutes (mean) per weekday—three hours per week, three weeks per year—on interactions with healthplans. Median was 28 minutes per day
    - PCPs: 3.5 hours/week
    - Medical specialists: 2.6 hours/week
    - Surgical specialists: 2.1 hours/week

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

Casalino et al

- Findings:
  - RN/MA/LPN time:
    - Mean: 3.8 hours per physician per day; 19.1 hours per physician per week
    - Median: 1.8 hours per physician per day; 9.1 hours per physician per week
  - Clerical Staff
    - Mean: 7.2 hours per physician per day; 35.9 hours per physician per week
    - Median: 5.9 hours per physician per day; 29.8 hours per physician per week

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

Casalino et al

- Physician time spent on formularies consumed more time than any other type of interaction
- Nursing time spent on authorizations consumed more time than any other type of interaction
- Little time was spent submitting data on quality or reviewing data on quality provided by healthplans

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

Casalino et al

- Dollar costs of health plan interactions
  - Mean $68,274 per physician per year; median $51,043 per physician per year
  - Not a statistically significant difference by practice size
  - Primary care practice spend approximated one-third of the income plus benefits of the average primary care physician
  - 78% of respondents thought the costs of interaction with healthplans had increased over the previous two years (2006)

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

Casalino et al

- Based on the survey data, an estimated $31B cost to physician practices of time spent on interactions with healthplans
- Equals 6.9% of all US expenditures for physician and clinical services

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

Casalino et al

- What does it mean?
  - Physicians and practice staff are spending much more time focused on administrative transactions than focused on submitting or reviewing quality data
  - Administrative spending may produce benefits: reduced healthcare costs; improved quality of care; innovation; and increased patient choice

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

Prior Authorization transactions

- MAG PA Study
- Medical Association of Georgia 2009 study of Prior Authorization/Pre-certification requirements By Georgia's Six Major Health Plans
  - Reviewed both physician perceptions and health plan documents and policies

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

MAG PA study

- Physician perceptions
  - 84% thought processes were unreasonable
  - 84% thought rejections were poorly explained
  - 81% did not thinking it was easy to determine what services needed a PA
  - 50% felt that their staff members spent more than 20 hours/week on PA processes
  - 78% felt that less than 10% of their requests were rejected

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

MAG PA study

- Methods
  - MAG Third Party Payor Committee obtained copies of payor PA policies
  - The Committee also polled MAG members

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

MAG PA study

- Results
  - PA processes and requirements vary widely by payor
  - Physicians (not facilities) are largely responsible for PAs
  - PA lists are constantly in flux
  - PA does not mean benefits are payable
  - Little transparency in PA clinical criteria

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

MAG PA study

- Results
  - Physicians can be penalized for not completing PAs but penalties vary and may be vague
  - Payors may have multiple PA phone numbers for different services; phone, fax, and EDI methods could be used
  - Urgent health plan responses could take as much as 72 hours
  - The list of services which require PAs vary widely by payor

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

MAG PA study

- Summary
  - Transparency is lacking in health plan processes
  - PA penalties should not be applied arbitrarily
  - EDI submission and web-based approval should be expanded
  - Single point of contact for all PAs is needed
  - Health plans have not justified the cost effectiveness of the PA process either for the physician office or the payor

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

MAG PA study

- Recommendations
  - The health plan PA should be a guarantee of payment
  - Eliminate financial penalties for failing to get PAs
  - Health plan PA response times should be standardized to 24-48 hours
  - PA required services should be based on scientific literature substantiating a reasonable need for the service to be questioned, not just cost

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

MAG PA study

- What does it all mean?
  - The PA process may seem punitive and burdensome with out transparency behind the “why?”
  - The arbitrary nature of PAs may undermine physician confidence in the process
  - Administrative simplicity would seem to be an easy improvement for payors that would be valued

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

Prior Authorization…why?

- "Prior Authorization", Concepts in Managed Care Pharmacy, The Academy of Managed Care Pharmacy, April 2012

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

AMCP

- What is Prior Authorization and Why is it an Essential Managed Care Tool?
  - PA may be required for a prescriber to qualify for coverage
  - PA procedures are based on clinical need and therapeutic rationale
  - PA process should take into account desired outcome for the patient, design of the drug benefit, value to the plan sponsor, and regulatory requirements

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

AMCP

- What is Prior Authorization and Why is it an Essential Managed Care Tool?
  - Guidelines and administrative policies should be developed by pharmacists and other healthcare professionals; should consider the workflow impact on healthcare system users and minimize inconvenience for patients and providers
  - Can help avoid inappropriate drug use and promote evidence-based therapy, minimize overall medical costs, improve access to more affordable care and enhance quality of life

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

AMCP

- How Prior Authorization is Utilized within a Prescription Drug Benefit
  - The PA process can be used to gather additional clinical patient information not available through electronic processes
  - The PA process can be used to promote appropriate use such as off-label requests, or limiting requests by physician specialty, such as limiting prescribing of chemotherapy to oncologists

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

AMCP

- How Prior Authorization is Utilized within a Prescription Drug Benefit
  - The PA process can support Step Therapy
  - The PA process can support quantity management
  - The PA process can expedite a process for access prescription drugs outside of a closed formulary process

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

AMCP

- What does it all mean?
  - Managed care plans have put some thought into this; they have a “why”
  - Concepts sometimes don’t translate easily into front-line operations
  - Note the explicit reference to value for plan sponsors

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

Prior Authorization cures

- “Curing the prior authorization headache”, Jeffrey Bendix, Medical Economics, October 10, 2013
- “The Prior Authorization predicament”, Jeffrey Bendix, Medical Economics, July 8, 2014
- (“Medical Economics: Smarter Business. Better Patient Care”)

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

Medical Economics

- Practitioners perspective
  - Focus on expensive imaging and brand name medications
  - Time consuming; burdensome; often not in the patient's interest; cost, not indication focused; wastes time; not reimbursed; restrictions are short-sighted; why not focus on the outliers
  - "We get numb to it"

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

Medical Economics

- Payor perspective
  - Specific focus
  - Has both a patient safety and cost implication
  - Overuse of high cost imaging may mean that benefits don’t outweigh risks
  - Growth of the generic drug portfolio offers less costly access to patients

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

Medical Economics

- Easing the prior authorization burden
  - Use web-based interfaces
  - Centralize PA services within the practice
  - Use generic medications when possible
  - Understand and follow/meet healthplan's criteria before submitting a PA
  - Consider the PA process and administrative burden when considering continued participation in healthplans

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

Medical Economics

- What does it all mean?
  - The “why” debate remains vigorous
  - A lot of “repeal” talk, but not much narrative about “replace”
  - Still plenty of focus on costs and burden; less so on value, to either providers or payors

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

What's the impact?

- "Physician-Reported Barriers to Referring Cancer Patients to Specialists: Prevalence, Factors, and Association With Career Satisfaction", Kwon et al, Cancer, January 1, 2015

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

Kwon et al

- Cancer patients who do not receive specialty care in a timely manner are more likely to have poor outcomes and report low satisfaction for care
  - Timeliness may be a critical determinant in survival and quality of life
- Referral barriers make increase frustration levels of referring physicians, impacting burnout and career satisfaction

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

Kwon et al

- Physician study cohorts: 1562 PCPs; 2144 specialists
- “How often does a factor listed below prevent you from referring your patients with cancer to the provider of your choice?”
  - Restricted provider networks; preauthorization requirements; a patient’s lack of ability to pay; a lack of surgical subspecialists; excessive patient travel time

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

Kwon et al

- Prevalence of Barriers to referral:
  - Restricted networks, 42%
  - Preauthorization requirements, 34%
  - Patient's inability to pay, 34%
  - Excessive patient travel time, 28%
  - Lack of surgical subspecialists, 14%
- Physicians higher referral barrier scores were less likely to be very or somewhat satisfied with their careers

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

Kwon et al

- What does it all mean?
  - PA processes may create a referral barrier to one in three cancer patients; those barriers could have clinical and quality of life implications
  - Referring physicians are frustrated by these barriers; could they impact referral patterns or influence changes in practice settings

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.

Final thoughts

- Administrative burdens are real
- Although there are reasons why, have we spent enough time exploring and demanding better
- We do get “numb” to the status quo
- Can we afford numbness if our patients are adversely impacted by the current system
- Plowshares or swords

SLIDES ARE THE PROPERTY OF THE AUTHOR. PERMISSION REQUIRED FOR REUSE.