

# Enhanced reimbursement to oncology clinics increases prescriptions of evidence-based drugs

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A pay-for performance program that offers enhanced reimbursement to oncology practices for prescribing high-quality, evidence-based cancer drugs increased use of these drugs without significantly changing total spending on care, Penn Medicine researchers report in a new study published online in the *Journal of Clinical Oncology*. This is the first study to demonstrate how a national insurer's voluntary pay-for-performance program can successfully change prescribing patterns among oncologists to deliver higher-quality cancer care.

"We know that prescribing evidence-based [cancer](#) drugs is high-quality care and increases both the length and quality of life for patients with cancer," said co-lead author Justin E. Bekelman, MD, director of the Penn Center for Cancer Care Innovation at the Abramson Cancer Center, a professor of Radiation Oncology in the Perelman School of Medicine at the University of Pennsylvania, and senior fellow at the Leonard Davis Institute for Health Economics. "And yet, changing prescribing patterns has been and remains a big challenge. Based on what we found here, paying [oncology](#) practices to prescribe evidence-based drugs can serve as a valuable tactic to improve the quality of cancer care."

To study the [program](#)'s impact on prescriptions and spending, the researchers analyzed insurance claims data of cancer patients between 2014 and 2017. They found that a payment of \$350 a month per patient to oncology practices when oncologists prescribed evidence-based cancer drugs increased prescriptions of those drugs by 5.1 percentage points. The study included nearly 1,900 oncologists and more than 25,000 patients with breast, lung, or colorectal cancers across 14 states—62.2 percent of patients under the program received evidence-based drugs compared to 57.1

percent of those patients without the program.

Evidence-based cancer regimens have been shown to lead to better outcomes, including longer life and less toxicity; however, despite this, not all patients receive them.

Historically, pay-for-performance programs in [health care](#) have shown mixed results. Insurers, including private and government entities, have implemented these programs and others as a way to improve the quality of care and also decrease cost growth in [health](#) care.

In cancer care, where spending is driven in large part by the costs of cancer drugs and is expected to reach more than \$170 billion in 2020, few programs to improve care or reduce spending have had success. A three-year evaluation of Medicare's Oncology Care Model program, an episode-based payment program with no specific incentive for prescribing evidence-based drugs, showed no significant impact on spending nor utilization of emergency department, hospitalizations or cancer drugs.

While not a silver bullet, the voluntary pay-for-performance program from Anthem, Inc., a national health benefits company, known as the Cancer Care Quality Program, is the first and largest to show a significant increase on evidence-based prescriptions in the cancer care setting.

In addition to finding an increase in prescriptions, the researchers found that overall spending did not significantly change under the pay-for-performance program. The amount spent on [cancer drugs](#) over a six-month period, however, increased in the pay-for-performance group, going from \$48,030 to \$51,369, and patient out-of-pocket expenses increased by a small but statistically significant amount, going from

\$2,217 to \$2,470. The researchers also found substantial variability in cancer drug prescribing among oncology practices. Over the course of the study, physicians prescribed 402 unique drug regimens, even though only 60 of those regimens were evidence-based [drug](#) regimens in the program.

Both findings highlight the need for further interventions.

"The cost of cancer care is too high, just like other areas in health care," said senior author Amol S. Navathe, MD, Ph.D., an assistant professor of Medical Ethics and Health Policy and the Healthcare Transformation Institute, and a senior fellow at the Leonard Davis Institute for Health Economics at Penn. "This program is a much needed example of an effective program—one that improved quality of care for patients. As we look forward, we need to build on the success of this program to design programs that also decrease costs."

Researchers from HealthCore, a health outcomes subsidiary of Anthem, and AIM Specialty Health, a wholly owned subsidiary of Anthem, also served as co-authors on the paper.

"We are pleased that this analysis demonstrates that our program indeed can improve the rate of high-value, evidence-based prescribing in oncology," said David Debono, MD, Anthem national medical director for oncology. "Anthem and AIM have placed a considerable focus on the Cancer Care Quality Program since 2014 and will continue to analyze new therapies as they are approved."

**More information:** Justin E. Bekelman et al, Association Between a National Insurer's Pay-for-Performance Program for Oncology and Changes in Prescribing of Evidence-Based Cancer Drugs and Spending, *Journal of Clinical Oncology* (2020). [DOI: 10.1200/JCO.20.00890](https://doi.org/10.1200/JCO.20.00890)

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