WellPoint’s Cancer Care Quality Program
WellPoint Inc.: A Health Benefits Leader

*We are one of the nation’s largest health benefits companies*

<table>
<thead>
<tr>
<th>14</th>
<th>affiliated Blue Cross and/or Blue Shield Plans</th>
</tr>
</thead>
<tbody>
<tr>
<td>36</td>
<td>Total Medical Members</td>
</tr>
<tr>
<td>$61</td>
<td>2012 Operating Revenue</td>
</tr>
<tr>
<td>$26</td>
<td>Market Capitalization</td>
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</tbody>
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Figures represent data as of 6/30/13.
Quality of cancer care is inconsistent

• Up to 1 in 3 people treated with chemotherapy do not receive a treatment regimen that is consistent with current medical evidence and best practices \(^1\)

• People are often hospitalized during treatment because of side-effects which could be avoided by using less toxic treatment regimens and appropriate supportive care \(^2\)

• People frequently receive tests and treatment that they do not need, putting them at risk of side-effects, as well as imposing an additional care burden and cost \(^2\)

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New cancer drugs are more expensive . . . and producing less value

Monthly cost at the time of FDA approval (1965 – 2013)

13 new cancer treatments approved by FDA in 2012

1
Survival extended by 6 months

2
Survival extended by only 4-6 weeks

$5,900
Average cost of treatment per month

Charting a New Course for a System in Crisis

Care often is not patient-centered, many patients do not receive palliative care to manage their symptoms and side effects from treatment, and decisions about care often are not based on the latest scientific evidence.

IOM Recommendations to improve the quality of cancer care
- A national quality reporting program with meaningful quality measures
- Improve the affordability of cancer care by leveraging existing efforts to reform payment and eliminate waste
- Reimbursement aligned to reward affordable, patient-centered high quality care
Together, we can transform cancer care

**Oncology Practice Revenue Sources**


- Drugs, 69%
- Infusion, 8%
- Radiation Therapy, 6%
- Diagnostic Imaging, 3%
- Evaluation & Mgmt., 8%
- Laboratory, 2%
- Non-Medical, 3%

**Chemotherapy Accounts for 25% of Cost**

*WellPoint affiliated health plans internal data 2012*

- Chemotherapy, 25%
- Radiation Oncology, 15%
- Diagnostic Imaging, 8%
- Surgery, 16%
- Hospitalizations, 18%
- Other outpatient, 11%
- Physician visits, 3%
- Pharmacy, 4%

Reimbursement model must change so that focus shifts to providing cancer care that is value-based and patient-centered.
Our Model: a Quality Initiative

- WellPoint’s Cancer Care Quality Program provides a framework **for promoting high quality cancer care**
- Oncologists participating in the Cancer Care Quality Program will receive **additional payment** for treatment planning and care coordination when they select a treatment regimen that is on Pathway
- Web-based platform with decision-support for Quality Initiative also improves efficiency of review against health plan clinical policies and **decreases administrative burden** for practices

[www.cancercarequalityprogram.com](http://www.cancercarequalityprogram.com)
US Oncology found pathways associated with same overall survival and 30% lower cost

Outcomes associated with pathways vs. usual care for advanced non-small cell lung cancer

Overall survival by Pathway status

12-month cumulative cost by Pathway status

Neubauer M A et al. JOP 2010;6:12-18
Additional payments for treatment planning and care coordination support cost-effective care

Enhanced reimbursement for treatment planning and care coordination may be available to participating providers when member is registered with the Cancer Care Quality Program and treatment regimen is on pathway – **therapies that are clinically effective, have favorable side-effect profile and cost-effective**

S0353 reimbursed $350 once at the onset of treatment
S0354 reimbursed $350 no more than monthly while managing care for a provider’s established patient*

Eligibility for S-code billing is triggered through AIM **ProviderPortal** when practice selects a regimen that aligns with WellPoint Cancer Treatment Pathways
Impact of enhanced reimbursement and support for Pathways

Mean Practice Revenue across regimens

without S code $2,578 (SD $1,488)
with S code $3,511 (SD $1,230)

S code decreases variation in revenue across regimens
Value for All Stakeholders

• Quality affordable cancer care
• Reimbursement for providers aligned to achieve desired outcomes
• Encourages innovation
Two new **free** apps help manage cancer symptoms and coordinate care

**My Care Plan (cancer survivors)**

App created by Journey Forward® collaboration, which includes NCCS, UCLA, ONS, WellPoint and Genentech

**Self–Care During Cancer**

Provided by Empowerment and Action for Cancer Care, an alliance between WellPoint and Genentech

Both apps are available in the Apple App Store or the GooglePlay store.