Health Insurer Perspectives on Cancer Care Delivery Transformation

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Disclaimer

The views expressed during this presentation are the personal views of Lucy R Langer, MD and not meant to be representative of the views of United Healthcare or any other organization

Key Takeaways

Oncology care is expensive

The US Healthcare System may not be keeping up with the complexities of oncology care delivery

We need to find a disruptive solution to make real change:

- Move away from reliance on drug margin
- Shift to rewarding activities that improve quality, access

Consider realigning benefit design, provider incentives, quality metrics

Rising cost of Oncology Care is a massive problem in the U.S.

Oncology Care is a massive market with accelerating growth driven by misalignment, complex variable clinical pathways and high-cost drugs.

Healthcare is Unaffordable & Inefficient in the U.S.

18% of U.S. GDP is spent on healthcare and rising

2x spent per person compared to OECD average

Yet, U.S. incidence of chronic illness and longevity are worse than average

U.S. Oncology Spend Growth Continues to Accelerate

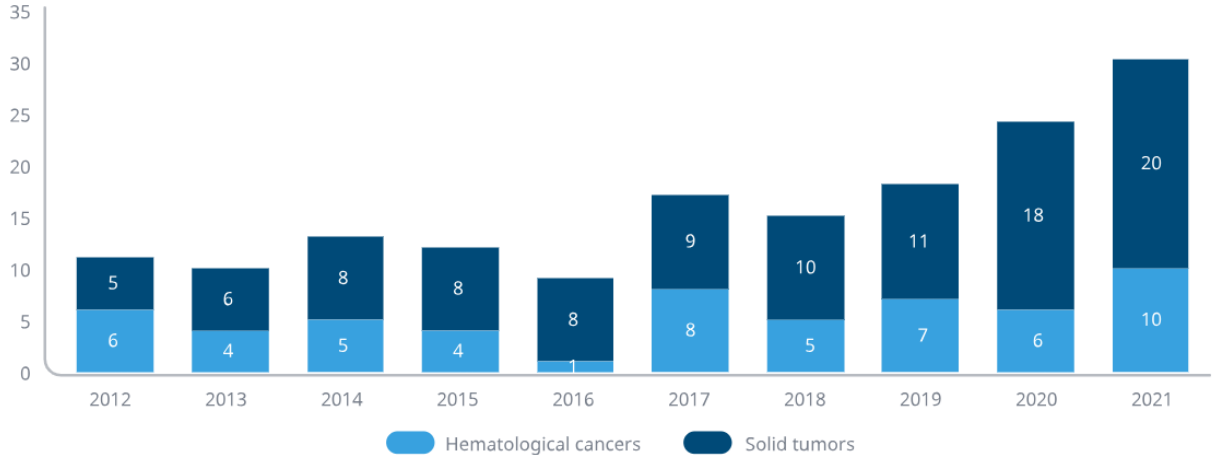
+200$ BN estimated 2020 U.S. oncology spend

11 –14% CAGR for U.S. Oncology drug spending growth in the next four years

9.5% of U.S. adults have been diagnosed with cancer

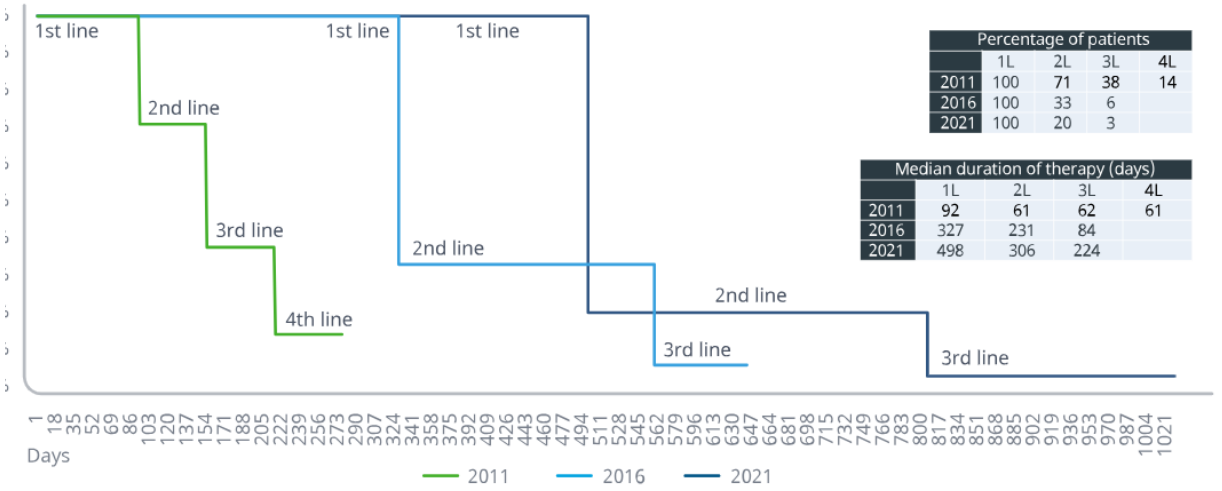
Sources:
Cancer Epidemiology, Biomarkers & Prevention –American Association For Cancer Research, July 2020; National Center for Health Statistics; IQVIA Institute; National Health Expenditure Data –CMS; Spending on Health: Latest Trends –OECD, June 2018.

These are exciting times in oncology



Source: IQVIA Institute, Apr 2022.
Notes: A novel active substance (NAS) is a new molecular or biologic entity or combination where at least one element is new; includes NASs launched anywhere in the world by year of first global launch. Oncology includes diagnostics.
Report: Global Oncology Trends 2022: Outlook to 2026. IQVIA Institute for Human Data Science, May 2022.

- While the number of NASs launched for oncology globally averaged 11 each year from 2012–2016 — and averaged just 5 the five years prior — this has grown to an average of 21 new oncology launches each year from 2017–2021 and is steadily trending upward.
- Two-thirds of oncology NAS launches have been for solid tumors in recent years, with 68 launches for solid tumors in the last five years, up from 35 in the five years prior.



Percentage of patients	1L	2L	3L	4L
2011	100	71	38	14
2016	100	33	6	
2021	100	20	3	

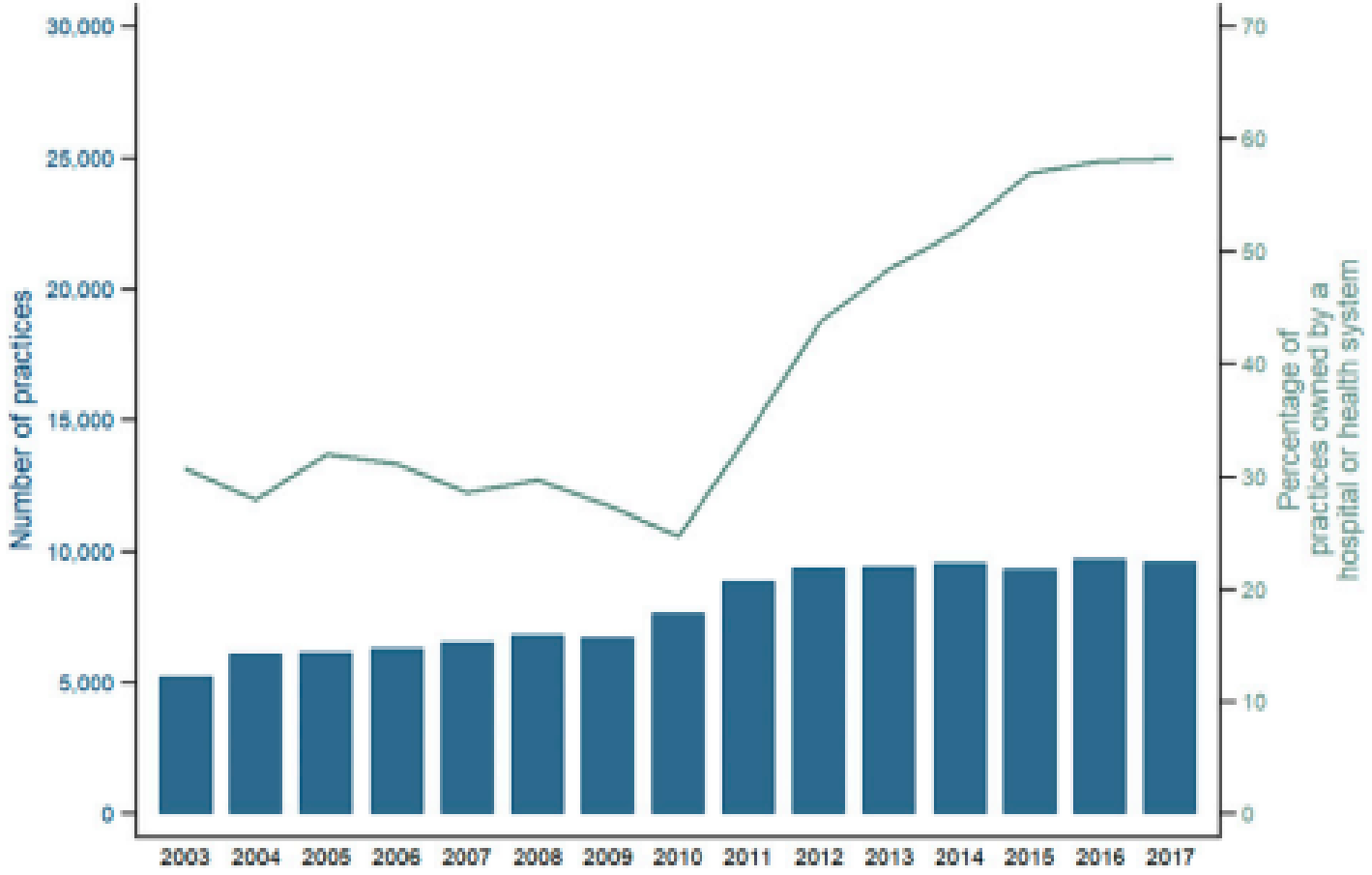
Median duration of therapy (days)	1L	2L	3L	4L
2011	92	61	62	61
2016	327	231	84	
2021	498	306	224	

ce: IQVIA Institute, Apr 2022.
s: Vertical axis of the chart represents the percentage of patients on the noted line of therapy. Horizontal axis represents days duration of the relevant line erapy.
rt: Global Oncology Trends 2022: Outlook to 2026. IQVIA Institute for Human Data Science, May 2022.

- Significant improvements in therapies for non-small cell lung cancer have increased the effectiveness of first-line therapy in patients over the last decade.
- The median duration of first-line therapy has quadrupled since 2011 and now first-line therapy duration is at nearly a year-and-a-half compared to just three months a decade ago.

[Global Oncology Trends 2022 - IQVIA]

We continue to see consolidation

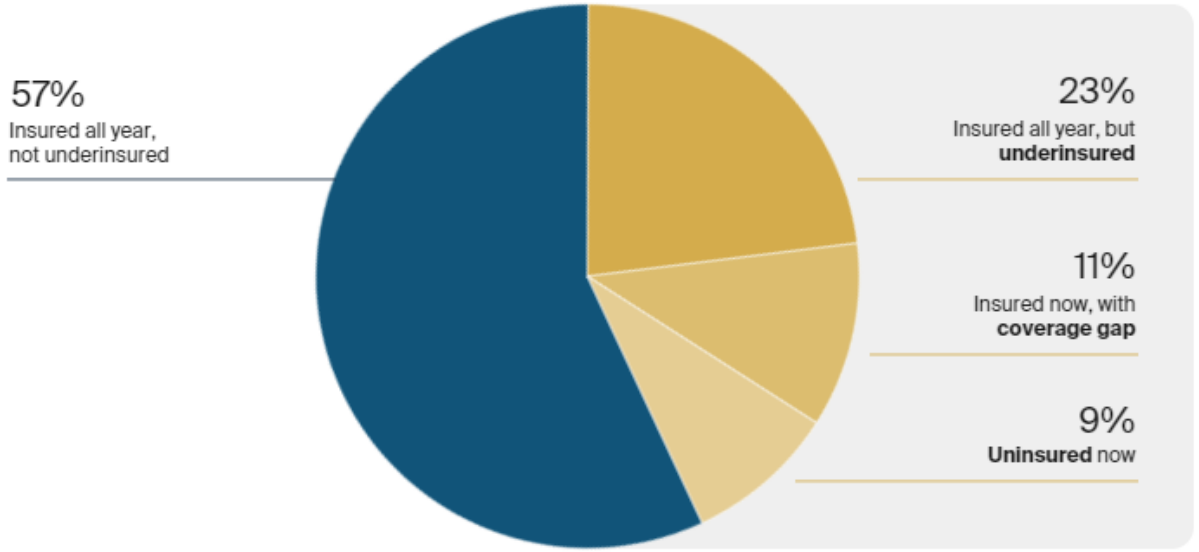


Yabroff et al, 2020 asco.org/edbook

Under-insurance is increasingly common

More than two of five working-age adults are inadequately insured.

Percentage of adults ages 19–64, by insurance coverage status within the past 12 months



Notes: "Insured all year, but underinsured" refers to adults who were insured all year but experienced one of the following: out-of-pocket costs, excluding premiums, equaled 10% or more of household income; out-of-pocket costs, excluding premiums, equaled 5% or more of household income if low-income (<200% of poverty); or deductibles equaled 5% or more of household income. "Insured now, with coverage gap" refers to adults who were insured at the time of the survey but were uninsured at any point in the 12 months prior to the survey field date. "Uninsured now" refers to adults who reported being uninsured at the time of the survey.

Data: Commonwealth Fund Biennial Health Insurance Survey (2022).

Source: Sara R. Collins, Lauren A. Haynes, and Relebohile Masitha, *The State of U.S. Health Insurance in 2022: Findings from the Commonwealth Fund Biennial Health Insurance Survey* (Commonwealth Fund, Sept. 2022). https://doi.org/10.26099/73zg-3432

Prior Authorization is a tool that can…

… be an important checkpoint to ensure a service or procedure is a safe, affordable and clinically appropriate option.

… help ensure patients receive evidence-based care that is based on the most up-to-date medical literature, helping ensure the best possible outcomes.

… limit patients' out-of-pocket for care they don't need.

… be associated with downward price pressure on meds by encouraging the uptake of generics and biosimilars

Adherence to best practices is important

It is well established that adherence to best practices results in improved outcomes Ricci-Cabello et al, 2020 meta-analysis of adherence to breast cancer guidelines and survival outcomes

Not all patients receive evidence-based care

2019 study (Baig et al) of the use of gCSF:

- 30-50% of high risk regimens not appropriately prohpylaxed
- 30-40% prophylaxed outside of current indications for FN risk

Improving on Prior Authorization should…

… reduce administrative burden by working towards electronic health record integration across the healthcare ecosystem, reduce volumes

… reduce confusion by agreeing upon guidelines and standards, setting criteria by which new therapies are adopted, and establishing the role of real world evidence

… provide greater clarity in coding with fewer requests for additional information or re-submissions

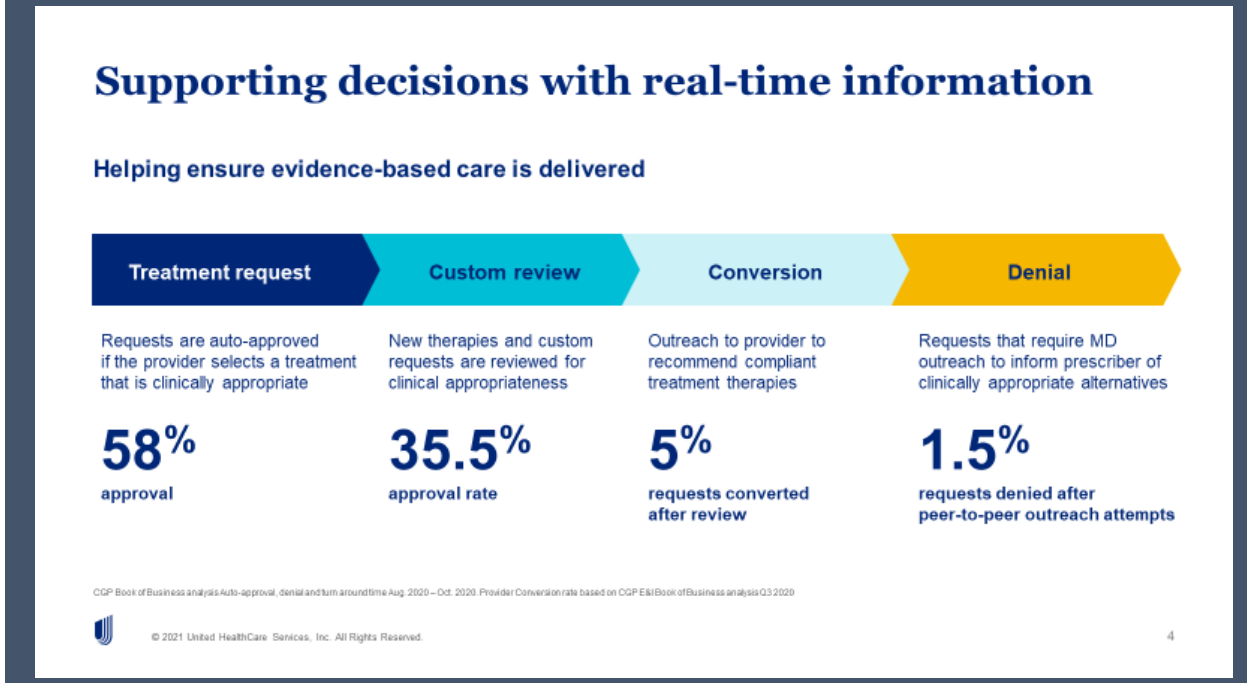
… be based on agreement between all involved parties on the established roles and responsibilities

UHC is on a journey to make health care work better

- To help simplify health care, we are modernizing our approach to prior authorization
- We are reducing the volume of authorizations required
- We are enacting Gold-Carding solutions
- We are taking a leadership position and encouraging the entire industry to make similar changes

United Healthcare's Cancer Guidance Program

- Sub-specialty oriented tool, based on NCCN guideline-concordant care
- Online provider portal including IV and oral chemotherapy agents, radiation
- Auto-approval and shortened turnaround time
- Pathways incentives to drive towards highest quality care, improve outcomes
- Avoids post-service denials
- Immediate enrollment in Cancer Support Program, providing comprehensive care management in partnership with clinicians



The Payer's Role in Future Solutions

- Member Benefits
  - Medical and Pharmacy
  - Benefit Design
- Contracting Terms
  - Preferred Networks
  - Access and Equity
- Centers of Excellence
  - Redefined
- Integrated Systems
  - EMR integration
  - ACO coordination
- Care Management/Survivorship
  - Partnership with providers

The future state for addressing affordability will require coordination across more functions

Some additional tools to consider

Value Based Insurance Design

- How do you define what is 'high value' and what is 'low value' in oncology?
- Can we facilitate the essential sharing of information?
- How can we prepare the consumer?

Outcomes-based contracting

- Are the key players willing to come to the table?
- How do we define the outcomes that are meaningful?
- Are we equipped to leverage real-world data?

Risk Transference

- At what level of the care delivery system does responsibility for "Value" fall?
- How does risk transference impact decision-making?
- Will inequities be magnified?

Alternative Contracting/Value-Based Care

- Oncology Medical Home
- Pay for Performance
- Capitation
- Bundles
- Centers of Excellence

Cancer Care Delivery Transformation: Focus on Quality, Affordability, Access

We need to ensure high-value, high-quality care delivery

Integration of systems and point-of-care decisioning is vital

We need to think outside of the box:

- Move away from reliance on drug margin
- Shift to rewarding activities that improve quality, access

Consider realigning benefit design, provider incentives, quality metrics

Together we need to take bold action and transform the ecosystem

Thank you