



mln listening session

A MEDICARE LEARNING NETWORK® (MLN) EVENT

Proposed Radiation Oncology Model

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Presenters:

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Acronyms in this Presentation

- APM: Alternative Payment Model
- CBSA: Core-Based Statistical Area
- CMMI: Center for Medicare and Medicaid Innovation
- CMS: Centers for Medicare & Medicaid Services
- ED: Emergency Department
- FFS: Fee-for-Service
- GPCI: Geographic Practice Cost Indices
- HHS: U.S. Department of Health and Human Services
- HOPDs: Hospital Outpatient Departments
- MA: Medicare Advantage
- NPRM: Notice of Proposed Rulemaking
- PGPs: Physician Group Practices
- QPP: Quality Payment Program
- RO: Radiation Oncology
- RT: Radiation Therapy



Agenda

- Background on Radiation Therapy & Model
- Rationale for Proposed Radiation Oncology (RO) Model
- Goal of Proposed RO Model
- Overview of Proposed RO Model
- Proposed Model Design
 - Course of Treatment and Included Services
 - Payment Strategy Overview
 - RO Model Payment, Discounts, and Withholds
 - Model Timeline
- Comment Submission
- Feedback
- Resources



Background on Radiation Therapy & Model

Radiation Therapy

- Radiation therapy is a common treatment for cancer
- Radiation oncologists provide time-limited specialty services for patients with cancer (usually do not manage all of a patient's care needs)
- Multiple forms of radiation therapy – Electron Beam Radiation Therapy (RT) (multiple versions), Brachytherapy, Proton Beam Therapy, Neutron Beam Therapy
- Services are primarily provided in free-standing radiation therapy centers (physician offices) and Hospital Outpatient Departments (HOPDs)
- Services are expensive – Medicare spent over \$7.2B on radiation therapy episodes 2013-2015, or roughly \$2.4B per year

Model Context

- Patient Access and Medicare Protection Act of 2015 (P.L. 114-115) required the HHS Secretary to submit to Congress a report on “the development of an episodic alternative payment model” for RT services. The report is available here: <https://innovation.cms.gov/Files/reports/radiationtherapy-apm-rtc.pdf>
- CMS is proposing a Radiation Oncology (RO) Model to address concerns raised in the report – see “RO Model Rationale” (slide 5)



Rationale for Proposed Radiation Oncology (RO) Model

- Address site of service payment differentials, i.e., higher payment rates in HOPDs versus community settings for the same service.
- Address coding and payment challenges, creating less volatility in revenue year-over-year.
- Empower patients and doctors by encouraging physicians to provide high-quality nationally recognized evidence-based care.
- Support innovative approaches to improving quality, accessibility, and affordability by removing current payment incentives. Opportunity for radiation oncologists to provide the most appropriate care for their patients without negative financial consequences.
- Improve beneficiary experience by rewarding high-quality patient-centered care and incentivizing high-value RT.



Goal of Proposed RO Model

Test whether site-neutral prospective bundled payments to physician group practices (including freestanding radiation therapy centers) as well as hospital outpatient departments – for radiation therapy episodes of care would reduce Medicare expenditures while preserving or enhancing the quality of care for beneficiaries.

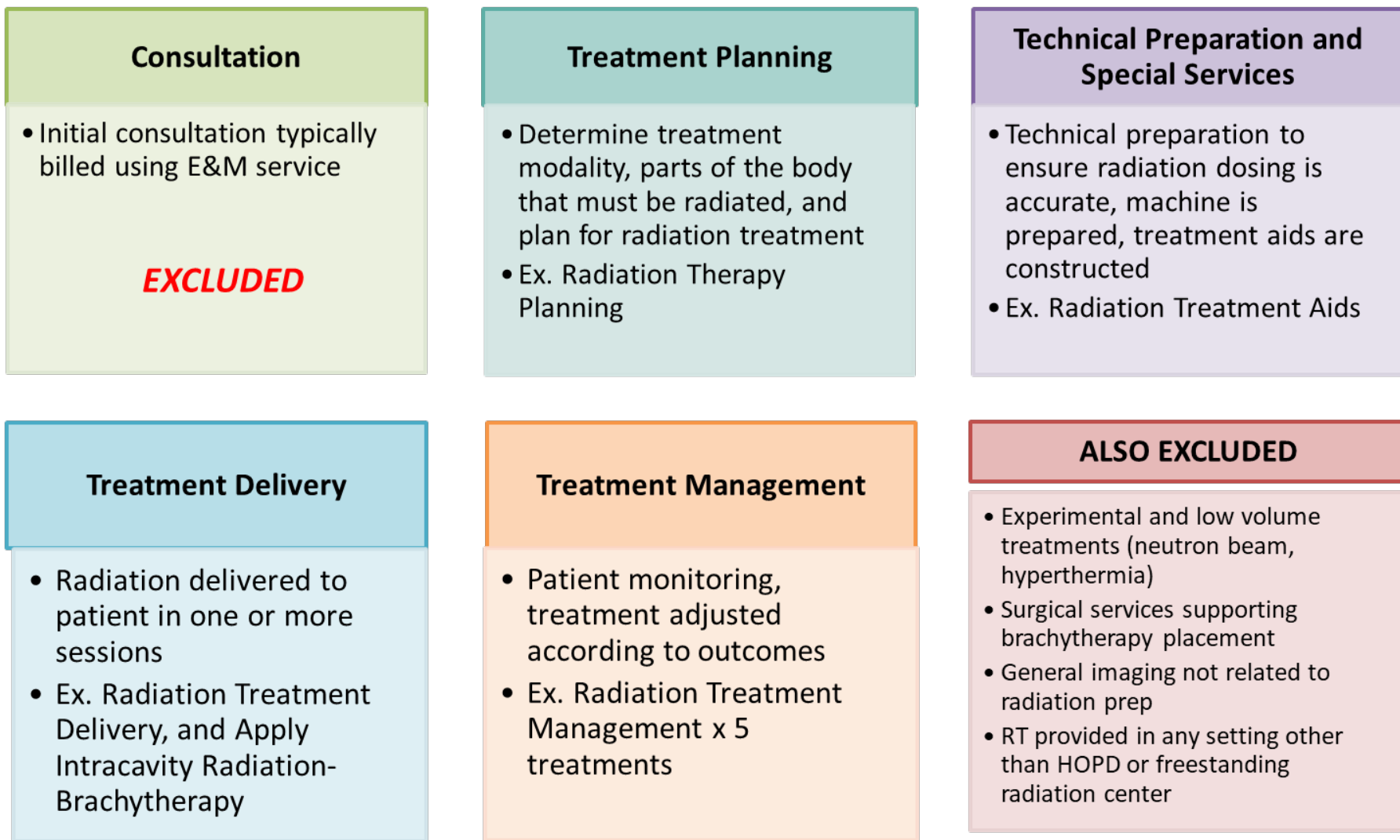


Overview of Proposed RO Model

- Prospective, site neutral episode payment for radiation therapy services; annual retrospective payment reconciliation
- 90-day episodes for radiation therapy (RT) services for 17 cancer types
- Bundled payments would be:
 - Nationally based, trended to performance year dollars
 - Adjusted based on participant experience and case mix
 - Triggered by provision of the treatment planning service
 - Modality-agnostic (includes proton beam therapy)
 - Split into professional and technical component payments
- Required participation in randomly selected Core-Based Statistical Area (CBSAs); 40% of all eligible RT episodes will be included in the model
- Participants furnish professional RT services, technical RT services, or both.
- Physician group practices, including freestanding radiation therapy centers
- Hospital outpatient departments (HOPDs)
- Advanced Alternative Payment Model (APM) under CMS Quality Payment Program (QPP)



Proposed Model Design – Course of Treatment and Included Services

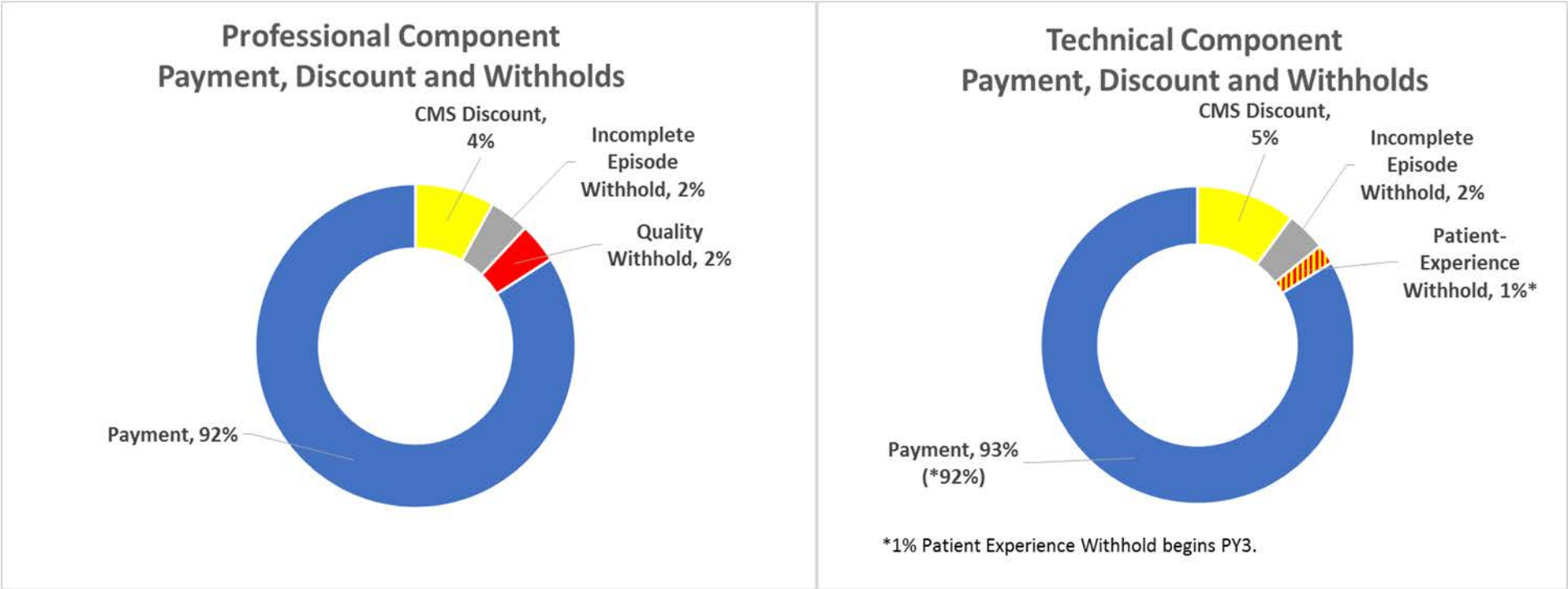


Proposed Model Design – Payment Strategy Overview: 4 Steps

National Episode Payments	Trend Base Amount to Performance Period	Adjustments	Claims Processing
<ul style="list-style-type: none">• Establish national episode base payments for base period – 2015-2017• Calculate amounts by cancer type for both professional and technical components• Would use facility (e.g., HOPD) episodes only	<ul style="list-style-type: none">• Base amount is developed using 2015-2017 dollars• Amount would be trended forward to current performance year• Trend factor derived from volume-weighted payment rates of RT services of HOPDs and freestanding radiation therapy centers not participating in Model	<ul style="list-style-type: none">• Case-mix adjustment to address differences in patient mix, such as age and sex• Adjustment for practice-specific historical experience to account for differences in modality use, fractionation and other factors that drive payments	<ul style="list-style-type: none">• Apply adjustments, discounts, and withholds• Make additional adjustments as necessary to ensure smooth claims processing, which would include wage index or Geographic Practice Cost Indices (GPCI) adjustments; sequestration; cost-sharing• 50% of bundle paid at start of episode; 50% paid at the end

**SITE NEUTRAL 90-DAY EPISODE PAYMENTS FOR RADIATION THERAPY
FOLLOWED BY A 28-DAY CLEAN PERIOD**

Proposed RO Model Payment, Discounts, and Withholds



Model Timeline

- 07/18/19 – NPRM displays
- 09/16/19 – Public comment period ends
- Fall 2019 – Final rule published (pending)
- Fall 2019 – Participants receive their specific payment amounts (pending final rule publication)
- 01/01/20 or 04/01/20 – Model Launch (pending final rule publication)



Comment Submission

The proposed RO Model is included in the Medicare Program; Specialty Care Models to Improve Quality of Care and Reduce Expenditures Notice of Proposed Rule Making.

The proposed rule (CMS-5527-P) can be downloaded from the *Federal Register* and comments can be submitted at:

<https://www.federalregister.gov/documents/2019/07/18/2019-14902/medicare-program-specialty-care-models-to-improve-quality-of-care-and-reduce-expenditures>

The deadline for submitting comments on the proposed rule is September 16, 2019, 5pm ET.



Feedback Session



Resources

- For more information, please visit:
 - [RO Model website](#)
 - [RO Model Fact Sheet](#)
- For questions, please contact the RO Model Help Desk: RadiationTherapy@cms.hhs.gov



Thank You

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