



The US Oncology Network

Community Cancer Care and The US Oncology Network

Leading the World in Cancer Treatment

Residents of the United States benefit from the world's best cancer care. U.S. cancer survival rates are higher than the average in Europe and Canada for 13 of 16 types of cancer¹. Currently 60 percent of US cancer patients receive the high-quality cancer care offered in the community setting. The US Oncology Network is one of the nation's largest and most innovative networks of community-based oncology physicians treating more than 1,100,000 cancer patients annually in over 400 locations across 26 states. The Network unites over 1,300 like-minded physicians around a common vision of expanding patient access to the highest quality, most cost-effective integrated cancer care to help patients fight cancer, and win.

The Cost of Cancer Care

America's world-class cancer care is expensive. In a 2010 study², Milliman reported that in 2007 a cancer patient receiving chemotherapy incurred average costs of approximately \$111,000, three times the cost of a coronary artery disease patient, and six times the cost of a diabetes patient. In 2011, the National Cancer Institute released projections³ of the cost of cancer care in the United States, finding the total cost of cancer care in 2020 is expected to be \$173 billion, up 39 percent from 2010.

An April 2012 study⁴ published in *Health Affairs* found that the U.S. spends more than 10 European nations studied in treating cancer patients, but that U.S. patients experienced greater improvements in survival rates during a 16-year period. U.S. patients lived an average of 11.1 years after diagnosis, compared to European patients living 9.3 years on average. The study estimated that the longer lives of U.S. patients were worth an average value of \$61,000 per individual, or \$598 billion in total, after subtracting the costs of care.

The Value of Community Cancer Care

Community-based cancer care is the most cost-effective setting for Medicare and its beneficiaries. An October 2011 Milliman study⁵ shows the total cost of fighting cancer is significantly lower for both patients (10 percent lower in co-pays, more than \$650 savings a year) and the Medicare program (14.2 percent less, a savings of \$6500 a year per patient) when managed in the physician office versus other settings.

In addition, an April 2012 study released by Milliman⁶ found that chemotherapy provided in a physician's office costs \$16,208 less per patient per year than chemotherapy provided in the hospital outpatient setting.

¹ <http://www.ncpa.org/pub/ba596>

² Milliman Client Report: Cancer patients receiving chemotherapy: Opportunities for better management. March 30, 2010. Bruce Pyenson and Kate Fitch. <http://publications.milliman.com/research/health-rr/pdfs/cancer-patients-receiving-chemotherapy.pdf>

³ Mariotto AB, Yabroff KR, Shao Y, Feuer EJ, and Brown ML. Projections of the Cost of Cancer Care in the United States: 2010-2020. Jan 19, 2011, JNCI, Vol. 103, No. 2. <http://jnci.oxfordjournals.org/content/103/2/NP.2.full>

⁴ Philipson T, Eber M, Lakdawalla D, Corral M, Conti R, and Goldman P. An Analysis of Whether Higher Health Care Spending in the United States Versus Europe is 'Worth It' in the Case of Cancer. *Health Affairs*, 31, no. 4 (2012): 667-675

⁵ Milliman, "Cost Drivers of Cancer Care: A Retrospective Analysis of Medicare and Commercially Insured Population Claim Data 2004-2014," April 2016.

⁶ Avalere Client Report: Total Cost of Cancer Care By Site of Service. March 2012. http://www.avalerehealth.net/news/2012-04-03_COA/Cost_of_Care.pdf



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An August 2013 Moran study⁷, reported that from 2005 through 2011 Medicare payments for chemotherapy administration services delivered in the HOPD setting have *increased by more than 200%* while payments for the same services delivered by community cancer clinics have actually *decreased by 15%* during the same time period.

Early Adoption of Electronic Health Records

The physicians of The US Oncology Network use the top-ranked⁸ iKnowMed electronic health record (EHR) system to empower evidence-based clinical decision support, performance benchmarking, outcomes measurement, clinical trial matching, and reporting on adherence to evidence-based guidelines.

Clinical Research in the Community

Community oncologists are advancing the science of cancer care through one of the world's largest research networks that brings the most advanced cancer therapies to local communities. US Oncology Research has conducted nearly 1,500 clinical trials, contributing to the FDA approval of 60 cancer therapies, representing about one-third of cancer therapies approved by the FDA to date.

The Value of Evidence-Based Medicine

Nearly a decade ago, physicians in The US Oncology Network decided to develop Level I Pathways⁹, evidence-based guidelines that re-direct the wide range of treatments into more precise, clinically proven treatment options. In two separate studies, the value of Level I Pathways has been proven to lower costs while maintaining equivalent health outcomes.

A joint study¹⁰ with Aetna published in the January 2010 *Journal of Oncology* found that costs were 35 percent lower for non-small cell lung cancer patients treated according to Level I Pathways while maintaining equivalent health outcomes. A similar study¹ published in a special joint issue between the peer-reviewed *Journal of Oncology Practice* and the *American Journal of Managed Care* in May 2011 found that evidence-based care for patients with colon cancer results in equivalent health outcomes and a total cost savings of more than 30 percent, \$53,000 for the treatment of adjuvant colon cancer and \$60,000 for the treatment of metastatic colon cancer.

Members of Congress: Please act to ensure a sustainable community cancer care delivery system.

⁷ *Cost Differences in Cancer Care Across Settings*, The Moran Company, August 2013

⁸ <http://www.iknowmed.com/>

⁹ <http://www.usoncology.com/cancercareadvocates/AdvancingCancerCare/DeliverHigh-QualityCare/LevelIPathways>

¹⁰ Neubauer MA, Hoverman JR, Kolodziej M, et al. (2010) Cost effectiveness of evidence-based treatment guidelines for the treatment of non-small-cell lung cancer in the community setting. *J Oncol Pract* 6:12-18. <http://mjia.ama-assn.org/content/6/1/12.abstract>