115TH CONGRESS
1ST SESSION

S. 463

To amend title XVIII of the Social Security Act to establish a national Oncology Medical Home Demonstration Project under the Medicare program for the purpose of changing the Medicare payment for cancer care in order to enhance the quality of care and to improve cost efficiency, and for other purposes.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 28, 2017

Mr. CORNYN (for himself and Mr. CARPER) introduced the following bill; which was read twice and referred to the Committee on Finance

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A BILL

To amend title XVIII of the Social Security Act to establish a national Oncology Medical Home Demonstration Project under the Medicare program for the purpose of changing the Medicare payment for cancer care in order to enhance the quality of care and to improve cost efficiency, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Cancer Care Payment Reform Act of 2017''.

SEC. 2. ESTABLISHING AN ONCOLOGY MEDICAL HOME DEMONSTRATION PROJECT UNDER THE MEDICARE PROGRAM TO IMPROVE QUALITY OF CARE AND COST EFFICIENCY.

Title XVIII of the Social Security Act is amended by inserting after section 1866E (42 U.S.C. 1395cc–5) the following new section:

"SEC. 1866F. ONCOLOGY MEDICAL HOME DEMONSTRATION PROJECT.

''(a) ESTABLISHMENT OF DEMONSTRATION PROJECT.—Not later than 12 months after the date of the enactment of this section, the Secretary shall establish an Oncology Medical Home Demonstration Project (in this section referred to as the 'demonstration project') to make payments in the amounts specified in subsection (f) to each participating oncology practice (as defined in subsection (b)).

''(b) DEFINITION OF PARTICIPATING ONCOLOGY PRACTICE.—For purposes of this section, the term 'participating oncology practice' means an oncology practice that—

''(1) submits to the Secretary an application to participate in the demonstration project in accordance with subsection (c);

''(2) is selected by the Secretary, in accordance with subsection (d), to participate in the demonstration project; and

''(3) is owned by a physician, or is owned by or affiliated with a hospital, that submitted a claim for payment in the prior year for an item or service for which payment may be made under part B.

''(c) APPLICATION TO PARTICIPATE.—An application by an oncology practice to participate in the demonstration project shall include an attestation to the Secretary that the practice—

''(1) furnishes physicians' services for which payment may be made under part B;

''(2) coordinates oncology services furnished to an individual by the practice with services that are related to such oncology services and that are furnished to such individual by practitioners (including oncology nurses) inside or outside the practice in order to ensure that each such individual receives coordinated care;

''(3) meaningfully uses electronic health records;

''(4) will, not later than one year after the date on which the practice commences its participation in the demonstration project, be accredited as an On-

cology Medical Home by the Commission on Cancer, the National Committee for Quality Assurance, or such other entity as the Secretary determines appropriate;

''(5) will repay all amounts paid by the Secretary to the practice under subsection (f)(1)(A) in the case that the practice does not, on a date that is not later than 60 days after the date on which the practice's agreement period for the demonstration project begins, as determined by the Secretary, submit an application to an entity described in paragraph (4) for accreditation as an Oncology Medical Home in accordance with such paragraph;

''(6) will, for each year in which the demonstration project is conducted, report to the Secretary, in such form and manner as is specified by the Secretary, on—

''(A) the performance of the practice with respect to measures described in subsection (e) as determined by the Secretary, subject to subsection (e)(1)(B); and

''(B) the experience of care of individuals who are furnished oncology services by the practice for which payment may be made under part B, as measured by a patient experience of

care survey based on the Consumer Assessment of Healthcare Providers and Systems survey or by such similar survey as the Secretary determines appropriate;

''(7) agrees not to receive the payments described in subclauses (I) and (II) of subsection (f)(1)(B)(iii) in the case that the practice does not report to the Secretary in accordance with paragraph (6) with respect to performance of the practice during the 12-month period beginning on the date on which the practice's agreement period for the demonstration project begins, as determined by the Secretary;

''(8) will, for each year of the demonstration project, meet the performance standards developed under subsection (e)(4)(B) with respect to each of the measures on which the practice has agreed to report under paragraph (6)(A) and the patient experience of care on which the practice has agreed to report under paragraph (6)(B); and

''(9) has the capacity to utilize shared decision-making tools that facilitate the incorporation of the patient needs, preferences, and circumstances of an individual into the medical plan of the individual and that maintain provider flexibility to tailor care of the

individual based on the full range of test and treatment options available to the individual.

''(d) SELECTION OF PARTICIPATING PRACTICES.—

''(1) IN GENERAL.—The Secretary shall, not later than 15 months after the date of the enactment of this section, select oncology practices that submit an application to the Secretary in accordance with subsection (c) to participate in the demonstration project.

''(2) MAXIMUM NUMBER OF PRACTICES.—In selecting an oncology practice to participate in the demonstration project under this section, the Secretary shall ensure that the participation of such practice in the demonstration project does not, on the date on which the practice commences its participation in the demonstration project—

''(A) increase the total number of practices participating in the demonstration project to a number that is greater than 200 practices (or such number as the Secretary determines appropriate); or

''(B) increase the total number of oncologists who participate in the demonstration project to a number that is greater than

1,500 oncologists (or such number as the Secretary determines appropriate).

''(3) DIVERSITY OF PRACTICES.—

''(A) IN GENERAL.—Subject to subparagraph (B), in selecting oncology practices to participate in the demonstration project under this section, the Secretary shall, to the extent practicable, include in such selection—

''(i) small-, medium-, and large-sized practices; and

''(ii) practices located in different geographic areas.

''(B) INCLUSION OF SMALL ONCOLOGY PRACTICES.—In selecting oncology practices to participate in the demonstration project under this section, the Secretary shall, to the extent practicable, ensure that at least 20 percent of the participating practices are small oncology practices (as determined by the Secretary).

''(4) NO PENALTY FOR CERTAIN OPT-OUTS BY PRACTICES.—In the case that the Secretary selects an oncology practice to participate in the demonstration project under this section that has agreed to participate in a model established under section 1115A for oncology services, such practice may not

be assessed a penalty for electing not to participate in such model if the practice makes such election—

"(A) prior to the receipt by the practice of any payment for such model that would not otherwise be paid in the absence of such model; and

"(B) in order to participate in the demonstration project under this section.

"(e) MEASURES.—

"(1) DEVELOPMENT.—

"(A) IN GENERAL.—The Secretary shall use measures described in paragraph (2), and may use measures developed under paragraph (3), to assess the performance of each participating oncology practice, as compared to other participating oncology practices as described in paragraph (4)(A)(i).

"(B) DETERMINATION OF MEASURES REPORTED.—In determining measures to be reported under subsection (c)(6)(A), the Secretary, in consultation with stakeholders, shall ensure that reporting under such subsection is not overly burdensome and that those measures required to be reported are aligned with applicable requirements from other payors.

''(2) MEASURES DESCRIBED.—The measures described in this paragraph, with respect to individuals who are attributed to a participating oncology practice, as determined by the Secretary, are the following:

''(A) PATIENT CARE MEASURES.—

''(i) The percentage of such individuals who receive documented clinical or pathologic staging prior to initiation of a first course of cancer treatment.

''(ii) The percentage of such individuals who undergo advanced imaging and have been diagnosed with stage I or II breast cancer.

''(iii) The percentage of such individuals who undergo advanced imaging and have been diagnosed with stage I or II prostate cancer.

''(iv) The percentage of such individuals who, prior to receiving cancer treatment, had their performance status assessed by the practice.

''(v) The percentage of such individuals who—

"(I) undergo treatment with a chemotherapy regimen provided by the practice;

"(II) have at least a 20-percent risk of developing febrile neutropenia due to a combination of regimen risk and patient risk factors; and

"(III) have received from the practice either GCSF or white cell growth factor.

"(vi) With respect to such individuals who receive an oncology drug therapy from the practice, the percentage of such individuals who underwent a diagnostic test to identify specific biomarkers, genetic mutations, or characteristics prior to receiving an oncology drug therapy, where such a diagnostic test exists for a given cancer type.

"(vii) With respect to such individuals who receive chemotherapy treatment from the practice, the percentage of such individuals so treated who receive a treatment plan prior to the administration of such chemotherapy.

''(viii) With respect to chemotherapy treatments administered to such individuals by the practice, the percentage of such treatments that adhere to guidelines published by the National Comprehensive Cancer Network or such other entity as the Secretary determines appropriate.

''(ix) With respect to antiemetic drugs dispensed by the practice to individuals as part of moderately or highly emetogenic chemotherapy regimens for such individuals, the extent to which such drugs are administered in accordance with evidence-based guidelines or pathways that are compliant with guidelines published by the National Comprehensive Cancer Network or such other entity as the Secretary determines appropriate.

''(B) RESOURCE UTILIZATION MEASURES.—

''(i) With respect to emergency room visits in a year by such individuals who are receiving active chemotherapy treatment administered by the practice as of the date of such visits, the percentage of such visits

that are associated with qualified cancer diagnoses of the individuals.

''(ii) With respect to hospital admissions in a year by such individuals who are receiving active chemotherapy treatment administered by the practice as of the date of such visits, the percentage of such admissions that are associated with qualified cancer diagnoses of the individuals.

''(C) SURVIVORSHIP MEASURES.—

''(i) Survival rates for such individuals who have been diagnosed with stage I through IV breast cancer.

''(ii) Survival rates for such individuals who have been diagnosed with stage I through IV colorectal cancer.

''(iii) Survival rates for such individuals who have been diagnosed with stage I through IV lung cancer.

''(iv) With respect to such individuals who receive chemotherapy treatment from the practice, the percentage of such individuals so treated who receive a survivorship plan not later than 45 days after the

completion of the administration of such chemotherapy.

''(v) With respect to such individuals who receive chemotherapy treatment from the practice, the percentage of such individuals who receive psychological screening.

''(D) END-OF-LIFE CARE MEASURES.—

''(i) The number of times that such an individual receives chemotherapy treatment from the practice within an amount of time specified by the Secretary, in consultation with stakeholders, prior to the death of the individual.

''(ii) With respect to such individuals who have a stage IV disease and have received treatment for such disease from the practice, the percentage of such individuals so treated who have had a documented end-of-life care conversation with a physician in the practice or another health care provider who is a member of the cancer care team of the practice.

''(iii) With respect to such an individual who is referred to hospice care by a physician in the practice or a health care

provider who is a member of the cancer care team of the practice, regardless of the setting in which such care is furnished, the average number of days that the individual receives hospice care prior to the death of the individual.

''(iv) With respect to such individuals who die while receiving care from the practice, the percentage of such deceased individuals whose death occurred in an acute care setting.

''(3) MODIFICATION OR ADDITION OF MEASURES.—

''(A) IN GENERAL.—The Secretary may, in consultation with appropriate stakeholders in a manner determined by the Secretary, modify, replace, remove, or add to the measures described in paragraph (2).

''(B) APPROPRIATE STAKEHOLDERS DESCRIBED.—For purposes of subparagraph (A), the term 'appropriate stakeholders' includes oncology societies, oncologists who furnish oncology services to one or more individuals for which payment may be made under part B, allied health professionals, health insurance

issuers that have implemented alternative payment models for oncologists, patients and organizations that represent patients, and biopharmaceutical and other medical technology manufacturers.

''(4) ASSESSMENT.—

''(A) IN GENERAL.—The Secretary shall, for each year in which the demonstration project is conducted, assess—

''(i) the performance of each participating oncology practice for such year with respect to the measures on which the practice has agreed to report to the Secretary under subsection (c)(6)(A), as compared to the performance of other participating oncology practices with respect to such measures; and

''(ii) the extent to which each participating oncology practice has, during such year, used breakthrough or other best-in-class therapies.

''(B) PERFORMANCE STANDARDS.—The Secretary shall, in consultation with the appropriate stakeholders described in paragraph (3)(B) in a manner determined by the Sec-

retary, develop performance standards with respect to—

"(i) each of the measures described in paragraph (2), including those measures as modified or added under paragraph (3); and

"(ii) the patient experience of care on which participating oncology practices agree to report to the Secretary under subsection (c)(6)(B).

"(f) PAYMENTS FOR PARTICIPATING ONCOLOGY PRACTICES AND ONCOLOGISTS.—

"(1) CARE COORDINATION MANAGEMENT FEE DURING FIRST TWO YEARS OF DEMONSTRATION PROJECT.—

"(A) IN GENERAL.—The Secretary shall, in addition to any other payments made by the Secretary under this title to a participating oncology practice, pay a care coordination management fee to each such practice at each of the times specified in subparagraph (B).

"(B) TIMING OF PAYMENTS.—The care coordination management fee described in subparagraph (A) shall be paid to a participating

oncology practice at the end of each of the following periods:

"(i) The period that ends 6 months after the date on which the practice's agreement period for the demonstration project begins, as determined by the Secretary.

"(ii) The period that ends 12 months after the date on which the practice's agreement period for the demonstration project begins, as determined by the Secretary.

"(iii) Subject to subsection (c)(7)—

"(I) the period that ends 18 months after the date on which the practice's agreement period for the demonstration project begins, as determined by the Secretary; and

"(II) the period that ends 24 months after the date on which the practice's agreement period for the demonstration project begins, as determined by the Secretary.

"(C) AMOUNT OF PAYMENT.—The Secretary shall, in consultation with oncologists

who furnish oncology services for which payment may be made under part B in a manner determined by the Secretary, determine the amount of the care coordination management fee described in subparagraph (A).

''(2) PERFORMANCE INCENTIVE PAYMENTS.—

''(A) IN GENERAL.—Subject to subparagraphs (C) and (E), the Secretary shall, in addition to any other payments made by the Secretary under this title to a participating oncology practice, pay a performance incentive payment to each such practice for each year of the demonstration project described in subparagraph (B).

''(B) TIMING OF PAYMENTS.—The performance incentive payment described in subparagraph (A) shall be paid to a participating oncology practice as soon as practicable following the end of the third, fourth, and fifth years of the demonstration project.

''(C) SOURCE OF PAYMENTS.—Performance incentive payments made to participating oncology practices under subparagraph (A) for each of the years of the demonstration project described in subparagraph (B) shall be paid

from the aggregate pool available for making payments for each such year determined under subparagraph (D), as available for each such year.

''(D) AGGREGATE POOL AVAILABLE FOR MAKING PAYMENTS.—With respect to each of the years of the demonstration project described in subparagraph (B), the aggregate pool available for making performance incentive payments for each such year shall be determined by—

''(i) estimating the amount by which the aggregate expenditures that would have been expended for the year under parts A and B for items and services furnished to individuals attributed to participating oncology practices if the demonstration project had not been implemented exceeds such aggregate expenditures for such individuals for such year of the demonstration project;

''(ii) calculating the amount that is half of the amount estimated under clause (i); and

"(iii) subtracting from the amount calculated under clause (ii) the total amount of payments made under paragraph (1) that have not, in a prior application of this clause, previously been so subtracted from a calculation made under clause (ii).

"(E) AMOUNT OF PAYMENTS TO INDIVIDUAL PRACTICES THAT MEET PERFORMANCE STANDARDS AND ACHIEVE SAVINGS.—

"(i) PAYMENTS ONLY TO PRACTICES THAT MEET PERFORMANCE STANDARDS.—The Secretary may not make performance incentive payments to a participating oncology practice under subparagraph (A) with respect to a year of the demonstration project described in subparagraph (B) unless the practice meets or exceeds the performance standards developed under subsection (e)(4)(B) for the year with respect to—

"(I) the measures on which the practice has agreed to report to the Secretary under subsection (c)(6)(A); and

"(II) the patient experience of care on which the practice has agreed to report to the Secretary under subsection (c)(6)(B).

"(ii) CONSIDERATION OF PERFORMANCE ASSESSMENT.—The Secretary shall, in consultation with the appropriate stakeholders described in subsection (e)(3)(B) in a manner determined by the Secretary, determine the amount of a performance incentive payment to a participating oncology practice under subparagraph (A) for a year of the demonstration project described in subparagraph (B). In making a determination under the preceding sentence, the Secretary shall take into account the performance assessment of the practice under subsection (e)(4)(A) with respect to the year and the aggregate pool available for making payments for such year determined under subparagraph (D), as available for such year.

"(3) ISSUANCE OF GUIDANCE.—Not later than the date that is 12 months after the date of the enactment of this section, the Secretary shall issue

guidance detailing the methodology that the Secretary will use to implement subparagraphs (D) and (E) of paragraph (2).

''(g) SECRETARY REPORTS TO PARTICIPATING ONCOLOGY PRACTICES.—The Secretary shall inform each participating oncology practice, on a periodic (such as quarterly) basis, of—

''(1) the performance of the practice with respect to the measures on which the practice has agreed to report to the Secretary under subsection (c)(6)(A); and

''(2) the estimated amount by which the expenditures that would have been expended under parts A and B for items and services furnished to individuals attributed to the practice if the demonstration project had not been implemented exceeds the actual expenditures for such individuals.

''(h) APPLICATIONS FROM ENTITIES TO PROVIDE ACCREDITATIONS.—Not later than the date that is 18 months after the date of the enactment of this section, the Secretary shall establish a process for the acceptance and consideration of applications from entities for purposes of determining which entities may provide accreditation to practices under subsection (c)(4) in addition to the entities described in such subsection.

''(i) REVISIONS TO DEMONSTRATION PROJECT.—The Secretary may make appropriate revisions to the demonstration project under this section in order for participating oncology practices under such demonstration project to meet the definition of an eligible alternative payment entity for purposes of section 1833(z).

''(j) WAIVER AUTHORITY.—The Secretary may waive such provisions of this title and title XI as the Secretary determines necessary in order to implement the demonstration project under this section.

''(k) ADMINISTRATION.—Chapter 35 of title 44, United States Code, shall not apply to this section.''.

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