While there’s never a good time to get a cancer diagnosis, patients now benefit from novel treatments and options previously unavailable. But if it feels like cancer costs and complexity are spiraling upwards, they are. As payers approve and fund treatments for the lives they cover, they are considering a number of factors: FDA approval, evidence-based results and value-based care.

Globally, oncology spending will rise to an estimated $250 billion in 2023. “About 40 percent of those costs are for active treatment therapeutics,” said Roger Shedlin, MD, JD, president and CEO, Medical Benefit Management (MBM), Optum. “The trend is being driven by significant advancements in the space, and new drugs hitting the market.”

The flip side is that these treatments can come with six-figure costs, contributing greatly to the financial challenges of cancer treatment. The rising costs are expected to continue, with an estimated 11-14 percent compound annual growth rate (CAGR) in therapeutics spending through 2023.

“The year-over-year trends are significant,” said Sarah Dye, senior vice president, MBM Oncology, Optum. “That’s why payers are trying to see where they can help control the prices.” Optimal treatment now often includes ordering the right molecular and genetic tests at the right time, comparing testing results to the patient’s exact cancer type and understanding how that fits into the evidence-based recommendations for the patient’s specific situation. However, even when following evidence-based recommendations, there’s wide variation in total treatment costs. For example, an Optum analysis of various treatment options for HER2 negative breast cancer found that even when following evidence-based protocols, the total cost of care spanned $39,000 to $89,000, while the hospitalization rate ranged from zero to 38 percent. Following evidence-based recommendations alone is not always sufficient to control costs.

The potential for additional costly oncology treatments over patients’ lifetimes is another financial challenge. With advances in oncology, “cancer is becoming more like a chronic illness,” said Wendy French, DO, oncology medical director, Optum. “Patients with advanced cancer are often living years instead of months.” This need for longer-term care also contributes to higher overall costs. Plus, about 39 percent of Americans will be diagnosed with cancer during their lifetimes. The aging population may also contribute to more cancer cases, as cancer rates rise with age.

**Staying current in cancer care**

Clinicians can be challenged to stay on top of oncology changes, given the tempo of discovery and FDA-approvals. “For general oncologists, it’s essentially impossible to remain current,” said Robert W. Carlson, MD, CEO of the National Comprehensive Cancer Network® (NCCN®), a not-for-profit alliance of leading cancer centers. Last year, PubMed indexed 845 breast cancer clinical trial studies and 627 lung cancer clinical trial results, he said.

Oncologists depend on clinical decision support within the electronic medical record and on guidelines from organizations like NCCN, which are licensed by EMR companies. The NCCN Clinical Practice Guidelines in Oncology (NCCN Guidelines®) guidelines use panels of clinical specialists that include more than 1,530 multidisciplinary members. These experts review,
Patients benefit from revolutionary treatments, ranging from non-small cell lung cancer guidelines eight times in 2020; colon and rectal cancer guidelines were updated five times in the first half of 2020, Carlson said.

Payers covering more than 85 percent of insured lives in the U.S. rely on the NCCN Guidelines® for coverage decisions, Carlson said. “It’s part of the reason why we have such a rapid update process. When new drugs get approved, it’s a major advance. We don’t want patients to wait six months to have access,” he said.

While it’s important to adjust care based on new evidence, clinicians may rely on regimens they are familiar with, including drug safety and side effect profiles. That behavior “speaks to the difficulty in keeping up today with the volume of changes,” said French. Tools and resources that keep doctors informed and help them navigate these changes can ensure they follow the latest evidence.

**Increased cost, increased complexity**

Patients benefit from revolutionary treatments, ranging from new modalities to customized therapeutics. Around 700 oncology drugs were in late-stage development as of 2019. Given the 100 percent average cost increase for new drugs from 2007-2017, per Advisory Board Research, that doesn’t bode well for future prices.

One of the biggest breakthroughs in recent years is checkpoint inhibitors. There are currently 4,720 immuno-oncology drugs in the pipeline. Approved immune-oncology agents are easily in the six-figure treatment range. The fact that these treatments have shown great promise for some cancers doesn’t mean there is evidence indicating promise for all cancers. While the intention is noble to prescribe them for more patients, without the benefit of evidence-based guidelines and data, this approach can harm those they’re intended to help, while also wasting resources.

**Solutions: Improving care while lowering costs**

Oncology practices and payers have aligned interests: give patients the best care while lowering costs. However both face obstacles. Oncologists want to make their own practice decisions, but it’s clear that many could use a helping hand to more easily access and evaluate treatment options. Healthcare purchasers like health plans or self-funded care plans know that oncology is complex but not all plans have oncologist medical directors, making it more difficult to navigate the appropriate therapeutics. And even with an oncologist medical director, it’s difficult to stay abreast of the complex evidence-based trends in each cancer type.

What these plans need is expertise and support, integrating the latest guidelines and evidence-based information. MBM Oncology meets these needs with a set of solutions helping payers and employers manage the cost and complexity of treatment for patients with cancer. While guidelines in many EHRs are up-to-date on some cancers and some cancer drugs, MBM’s guidelines cover more than 60 different cancers and over 300 therapeutics.

Health plans seeking to draw meaningful conclusions about optimizing treatments may find key details missing from pre-authorization data. “Not all plans have robust data capture and extraction capabilities as part of their prior authorization process,” Shedlin said. “MBM Oncology not only collects but is able to analyze specialized clinical scenarios for each patient. We can match that up with claims information, which includes the treatment.” That means that MBM Oncology knows that a patient doesn’t just have breast cancer, but has stage 2 HER2 negative breast cancer like in the previously-cited example. “We use data we’ve analyzed from the 24 million members under our management to provide the best evidence-based treatment pathways. With our level of detail, we can show what treatment might be more efficacious, with a shorter treatment time, lower cost, and better outcomes.”

Health plans and sponsors should not have to worry about staying on top of every new treatment recommendation or update to ensure that members are maximizing their outcomes. Better navigation of complex treatment paradigms can improve patient lives, while also eliminating wasteful spending. That’s possible with Optum’s MBM Oncology solution, which goes broader and deeper into decision support. Optum relies on the fast-changing and scientifically-based NCCN Guidelines®, integrating that with proprietary analysis that includes cost-effectiveness and shows patient efficacy in real-world treatment scenarios. Optum clients appreciate the deeper level of decision support that comes from robust data, analytics and specialty oncology expertise.

FOR MORE INFORMATION, please contact Anis Mehta, MBA, Director, MBM Oncology, Optum, at (612) 428-6819 or anis.mehta@optum.com.