case study: affiliation

Creating a Successful Oncology Co-management Relationship

Co-management agreements can be mutually beneficial to hospitals and physicians. They can improve quality, reduce cost, and provide financial benefits to participating physicians. However, proper execution is required to realize these benefits. We recently worked with a client to implement an oncology co-management program and have translated our experience into the tips below.

Background

A three-hospital system in the Northeast sought closer alignment with a surgery group and a medical oncology group. While both groups provided high quality care, the patient experience was somewhat fragmented, because each group provided care independently. Faced with a competitive market, the hospitals' goal was to improve the delivery of cancer care across the continuum.

Tip #1: Consider using co-management to address call coverage issues

As our client approached the surgical group to explore alignment options, call coverage became a hot-button issue. The physicians wanted call pay, but the hospitals did not want to set the precedent of paying for call. To solve this problem, the hospital included call coverage as a requirement for participation in the co-management agreement. The inclusion of call was considered in the valuation of the agreement, thus satisfying the hospitals and physicians.

Tip #2: Incentivize the right behavior

Most co-management agreements are structured to include base fees paid to physicians for hours contributed to co-management activities and incentive fees for achievement of pre-defined quality metrics. This particular case was no exception; however, the hospital had a clear goal and was able to target desired behavior through careful selection of incentives.

As part of the base fee, the agreement included clearly delineated duties for which the physicians would be eligible for payment. These included:

- Participation in multidisciplinary cancer committee meetings
- Development of standardized treatment protocols
- Education for other providers, nurses, and staff members
- Resource planning and technology development
- Contribution to strategy and marketing committees

Creating a Successful Oncology Co-management Relationship (continued)

For the incentive fee, the agreement addressed quality metrics relevant to the hospitals' goals. These included:

- Percent of newly diagnosed cancer patients reviewed by the multidisciplinary cancer committee
- HCAHPS: Percent of patients report that their doctors always communicated well
- NQF 0386: Percentage of patients seen in the ambulatory setting who have a baseline AJCC cancer stage
- NQF 0383: Percentage of visits with a documented plan of care to address pain
- Percentage of patients referred to patient navigator

Tip #3: Use national benchmarks

Metric and target selection is one of the most challenging aspects of implementing a co-management agreement. Proper selection of metrics and targets is not only crucial to achieving success, but also necessary to ensure the agreement meets FMV and commercial reasonableness requirements. To select the proper targets, our client turned to national registries in which national benchmarks were available. By using national measures, we were able to objectively evaluate service line performance against standardized data. This built credibility with the physicians and streamlined data collection and reporting for agreement execution.

National data sources to consider include:

- CMS (HCAHPS & Core Measures)
- American College of Surgeons Commission on Cancer
- American Society of Clinical Oncology
- National Committee for Quality Assurance
- National Quality Forum (Aggregate measures from multiple sources)