

114TH CONGRESS
2D SESSION

S. 3211

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

JULY 14, 2016

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

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.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Cancer Care Payment
5 Reform Act of 2016”.

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

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

8 **“SEC. 1866F. ONCOLOGY MEDICAL HOME DEMONSTRATION**
 9 **PROJECT.**

10 “(a) ESTABLISHMENT OF DEMONSTRATION
 11 PROJECT.—Not later than 12 months after the date of
 12 the enactment of this section, the Secretary shall establish
 13 an Oncology Medical Home Demonstration Project (in
 14 this section referred to as the ‘demonstration project’) to
 15 make payments in the amounts specified in subsection (f)
 16 to each participating oncology practice (as defined in sub-
 17 section (b)).

18 “(b) DEFINITION OF PARTICIPATING ONCOLOGY
 19 PRACTICE.—For purposes of this section, the term ‘par-
 20 ticipating oncology practice’ means an oncology practice
 21 that—

22 “(1) submits to the Secretary an application to
 23 participate in the demonstration project in accord-
 24 ance with subsection (c);

1 “(2) is selected by the Secretary, in accordance
2 with subsection (d), to participate in the demonstra-
3 tion project; and

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

8 “(c) APPLICATION TO PARTICIPATE.—An application
9 by an oncology practice to participate in the demonstra-
10 tion project shall include an attestation to the Secretary
11 that the practice—

12 “(1) furnishes physicians’ services for which
13 payment may be made under part B;

14 “(2) coordinates oncology services furnished to
15 an individual by the practice with services that are
16 related to such oncology services and that are fur-
17 nished to such individual by practitioners (including
18 oncology nurses) inside or outside the practice in
19 order to ensure that each such individual receives co-
20 ordinated care;

21 “(3) meaningfully uses electronic health
22 records;

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

1 oncology Medical Home by the Commission on Cancer,
2 the National Committee for Quality Assurance, or
3 such other entity as the Secretary determines appro-
4 priate;

5 “(5) will repay all amounts paid by the Sec-
6 retary to the practice under subsection (f)(1)(A) in
7 the case that the practice does not, on a date that
8 is not later than 60 days after the date on which the
9 practice’s agreement period for the demonstration
10 project begins, as determined by the Secretary, sub-
11 mit an application to an entity described in para-
12 graph (4) for accreditation as an Oncology Medical
13 Home in accordance with such paragraph;

14 “(6) will, for each year in which the demonstra-
15 tion project is conducted, report to the Secretary, in
16 such form and manner as is specified by the Sec-
17 retary, on—

18 “(A) the performance of the practice with
19 respect to measures described in subsection (e)
20 as determined by the Secretary, subject to sub-
21 section (e)(1)(B); and

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

1 care survey based on the Consumer Assessment
2 of Healthcare Providers and Systems survey or
3 by such similar survey as the Secretary deter-
4 mines appropriate;

5 “(7) agrees not to receive the payments de-
6 scribed in subclauses (I) and (II) of subsection
7 (f)(1)(B)(iii) in the case that the practice does not
8 report to the Secretary in accordance with para-
9 graph (6) with respect to performance of the prac-
10 tice during the 12-month period beginning on the
11 date on which the practice’s agreement period for
12 the demonstration project begins, as determined by
13 the Secretary;

14 “(8) will, for each year of the demonstration
15 project, meet the performance standards developed
16 under subsection (e)(4)(B) with respect to each of
17 the measures on which the practice has agreed to re-
18 port under paragraph (6)(A) and the patient experi-
19 ence of care on which the practice has agreed to re-
20 port under paragraph (6)(B); and

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

1 individual based on the full range of test and treat-
2 ment options available to the individual.

3 “(d) SELECTION OF PARTICIPATING PRACTICES.—

4 “(1) IN GENERAL.—The Secretary shall, not
5 later than 15 months after the date of the enact-
6 ment of this section, select oncology practices that
7 submit an application to the Secretary in accordance
8 with subsection (c) to participate in the demonstra-
9 tion project.

10 “(2) MAXIMUM NUMBER OF PRACTICES.—In se-
11 lecting an oncology practice to participate in the
12 demonstration project under this section, the Sec-
13 retary shall ensure that the participation of such
14 practice in the demonstration project does not, on
15 the date on which the practice commences its par-
16 ticipation in the demonstration project—

17 “(A) increase the total number of practices
18 participating in the demonstration project to a
19 number that is greater than 200 practices (or
20 such number as the Secretary determines ap-
21 propriate); or

22 “(B) increase the total number of
23 oncologists who participate in the demonstra-
24 tion project to a number that is greater than

1 1,500 oncologists (or such number as the Sec-
 2 retary determines appropriate).

3 “(3) DIVERSITY OF PRACTICES.—

4 “(A) IN GENERAL.—Subject to subpara-
 5 graph (B), in selecting oncology practices to
 6 participate in the demonstration project under
 7 this section, the Secretary shall, to the extent
 8 practicable, include in such selection—

9 “(i) small-, medium-, and large-sized
 10 practices; and

11 “(ii) practices located in different geo-
 12 graphic areas.

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

20 “(4) NO PENALTY FOR CERTAIN OPT-OUTS BY
 21 PRACTICES.—In the case that the Secretary selects
 22 an oncology practice to participate in the demonstra-
 23 tion project under this section that has agreed to
 24 participate in a model established under section
 25 1115A for oncology services, such practice may not

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

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

7 “(B) in order to participate in the dem-
 8 onstration project under this section.

9 “(e) MEASURES.—

10 “(1) DEVELOPMENT.—

11 “(A) IN GENERAL.—The Secretary shall
 12 use measures described in paragraph (2), and
 13 may use measures developed under paragraph
 14 (3), to assess the performance of each partici-
 15 pating oncology practice, as compared to other
 16 participating oncology practices as described in
 17 paragraph (4)(A)(i).

18 “(B) DETERMINATION OF MEASURES RE-
 19 PORTED.—In determining measures to be re-
 20 ported under subsection (c)(6)(A), the Sec-
 21 retary, in consultation with stakeholders, shall
 22 ensure that reporting under such subsection is
 23 not overly burdensome and that those measures
 24 required to be reported are aligned with appli-
 25 cable requirements from other payors.

1 “(2) MEASURES DESCRIBED.—The measures
2 described in this paragraph, with respect to individ-
3 uals who are attributed to a participating oncology
4 practice, as determined by the Secretary, are the fol-
5 lowing:

6 “(A) PATIENT CARE MEASURES.—

7 “(i) The percentage of such individ-
8 uals who receive documented clinical or
9 pathologic staging prior to initiation of a
10 first course of cancer treatment.

11 “(ii) The percentage of such individ-
12 uals who undergo advanced imaging and
13 have been diagnosed with stage I or II
14 breast cancer.

15 “(iii) The percentage of such individ-
16 uals who undergo advanced imaging and
17 have been diagnosed with stage I or II
18 prostate cancer.

19 “(iv) The percentage of such individ-
20 uals who, prior to receiving cancer treat-
21 ment, had their performance status as-
22 sessed by the practice.

23 “(v) The percentage of such individ-
24 uals who—

1 “(I) undergo treatment with a
2 chemotherapy regimen provided by the
3 practice;

4 “(II) have at least a 20-percent
5 risk of developing febrile neutropenia
6 due to a combination of regimen risk
7 and patient risk factors; and

8 “(III) have received from the
9 practice either GCSF or white cell
10 growth factor.

11 “(vi) With respect to such individuals
12 who receive chemotherapy treatment from
13 the practice, the percentage of such indi-
14 viduals so treated who receive a treatment
15 plan prior to the administration of such
16 chemotherapy.

17 “(vii) With respect to chemotherapy
18 treatments administered to such individ-
19 uals by the practice, the percentage of such
20 treatments that adhere to guidelines pub-
21 lished by the National Comprehensive Can-
22 cer Network or such other entity as the
23 Secretary determines appropriate.

24 “(viii) With respect to antiemetic
25 drugs dispensed by the practice to individ-

1 uals as part of moderately or highly
2 emetogenic chemotherapy regimens for
3 such individuals, the extent to which such
4 drugs are administered in accordance with
5 evidence-based guidelines or pathways that
6 are compliant with guidelines published by
7 the National Comprehensive Cancer Net-
8 work or such other entity as the Secretary
9 determines appropriate.

10 “(B) RESOURCE UTILIZATION MEAS-
11 URES.—

12 “(i) With respect to emergency room
13 visits in a year by such individuals who are
14 receiving active chemotherapy treatment
15 administered by the practice as of the date
16 of such visits, the percentage of such visits
17 that are associated with qualified cancer
18 diagnoses of the individuals.

19 “(ii) With respect to hospital admis-
20 sions in a year by such individuals who are
21 receiving active chemotherapy treatment
22 administered by the practice as of the date
23 of such visits, the percentage of such ad-
24 missions that are associated with qualified
25 cancer diagnoses of the individuals.

1 “(C) SURVIVORSHIP MEASURES.—

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

5 “(ii) Survival rates for such individ-
6 uals who have been diagnosed with stage I
7 through IV colorectal cancer.

8 “(iii) Survival rates for such individ-
9 uals who have been diagnosed with stage I
10 through IV lung cancer.

11 “(iv) With respect to such individuals
12 who receive chemotherapy treatment from
13 the practice, the percentage of such indi-
14 viduals so treated who receive a survivor-
15 ship plan not later than 45 days after the
16 completion of the administration of such
17 chemotherapy.

18 “(v) With respect to such individuals
19 who receive chemotherapy treatment from
20 the practice, the percentage of such indi-
21 viduals who receive psychological screening.

22 “(D) END-OF-LIFE CARE MEASURES.—

23 “(i) The number of times that such
24 an individual receives chemotherapy treat-
25 ment from the practice within an amount

1 of time specified by the Secretary, in con-
2 sultation with stakeholders, prior to the
3 death of the individual.

4 “(ii) With respect to such individuals
5 who have a stage IV disease and have re-
6 ceived treatment for such disease from the
7 practice, the percentage of such individuals
8 so treated who have had a documented
9 end-of-life care conversation with a physi-
10 cian in the practice or another health care
11 provider who is a member of the cancer
12 care team of the practice.

13 “(iii) With respect to such an indi-
14 vidual who is referred to hospice care by a
15 physician in the practice or a health care
16 provider who is a member of the cancer
17 care team of the practice, regardless of the
18 setting in which such care is furnished, the
19 average number of days that the individual
20 receives hospice care prior to the death of
21 the individual.

22 “(iv) With respect to such individuals
23 who die while receiving care from the prac-
24 tice, the percentage of such deceased indi-

1 viduals whose death occurred in an acute
2 care setting.

3 “(3) MODIFICATION OR ADDITION OF MEAS-
4 URES.—

5 “(A) IN GENERAL.—The Secretary may, in
6 consultation with appropriate stakeholders in a
7 manner determined by the Secretary, modify,
8 replace, remove, or add to the measures de-
9 scribed in paragraph (2).

10 “(B) APPROPRIATE STAKEHOLDERS DE-
11 SCRIBED.—For purposes of subparagraph (A),
12 the term ‘appropriate stakeholders’ includes on-
13 cology societies, oncologists who furnish oncol-
14 ogy services to one or more individuals for
15 which payment may be made under part B, al-
16 lied health professionals, health insurance
17 issuers that have implemented alternative pay-
18 ment models for oncologists, patients and orga-
19 nizations that represent patients, and bio-
20 pharmaceutical and other medical technology
21 manufacturers.

22 “(4) ASSESSMENT.—

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

1 “(i) the performance of each partici-
2 pating oncology practice for such year with
3 respect to the measures on which the prac-
4 tice has agreed to report to the Secretary
5 under subsection (c)(6)(A), as compared to
6 the performance of other participating on-
7 cology practices with respect to such meas-
8 ures; and

9 “(ii) the extent to which each partici-
10 pating oncology practice has, during such
11 year, used breakthrough or other best-in-
12 class therapies.

13 “(B) PERFORMANCE STANDARDS.—The
14 Secretary shall, in consultation with the appro-
15 priate stakeholders described in paragraph
16 (3)(B) in a manner determined by the Sec-
17 retary, develop performance standards with re-
18 spect to—

19 “(i) each of the measures described in
20 paragraph (2), including those measures as
21 modified or added under paragraph (3);
22 and

23 “(ii) the patient experience of care on
24 which participating oncology practices

1 agree to report to the Secretary under sub-
2 section (c)(6)(B).

3 “(f) PAYMENTS FOR PARTICIPATING ONCOLOGY
4 PRACTICES AND ONCOLOGISTS.—

5 “(1) CARE COORDINATION MANAGEMENT FEE
6 DURING FIRST TWO YEARS OF DEMONSTRATION
7 PROJECT.—

8 “(A) IN GENERAL.—The Secretary shall,
9 in addition to any other payments made by the
10 Secretary under this title to a participating on-
11 cology practice, pay a care coordination man-
12 agement fee to each such practice at each of the
13 times specified in subparagraph (B).

14 “(B) TIMING OF PAYMENTS.—The care co-
15 ordination management fee described in sub-
16 paragraph (A) shall be paid to a participating
17 oncology practice at the end of each of the fol-
18 lowing periods:

19 “(i) The period that ends 6 months
20 after the date on which the practice’s
21 agreement period for the demonstration
22 project begins, as determined by the Sec-
23 retary.

24 “(ii) The period that ends 12 months
25 after the date on which the practice’s

1 agreement period for the demonstration
2 project begins, as determined by the Sec-
3 retary.

4 “(iii) Subject to subsection (c)(7)—

5 “(I) the period that ends 18
6 months after the date on which the
7 practice’s agreement period for the
8 demonstration project begins, as de-
9 termined by the Secretary; and

10 “(II) the period that ends 24
11 months after the date on which the
12 practice’s agreement period for the
13 demonstration project begins, as de-
14 termined by the Secretary.

15 “(C) AMOUNT OF PAYMENT.—The Sec-
16 retary shall, in consultation with oncologists
17 who furnish oncology services for which pay-
18 ment may be made under part B in a manner
19 determined by the Secretary, determine the
20 amount of the care coordination management
21 fee described in subparagraph (A).

22 “(2) PERFORMANCE INCENTIVE PAYMENTS.—

23 “(A) IN GENERAL.—Subject to subpara-
24 graphs (C) and (E), the Secretary shall, in ad-
25 dition to any other payments made by the Sec-

retary 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 described in subparagraph (B), the aggregate pool available for making performance incentive

1 payments for each such year shall be deter-
2 mined by—

3 “(i) estimating the amount by which
4 the aggregate expenditures that would
5 have been expended for the year under
6 parts A and B for items and services fur-
7 nished to individuals attributed to partici-
8 pating oncology practices if the demonstra-
9 tion project had not been implemented ex-
10 ceeds such aggregate expenditures for such
11 individuals for such year of the demonstra-
12 tion project;

13 “(ii) calculating the amount that is
14 half of the amount estimated under clause
15 (i); and

16 “(iii) subtracting from the amount
17 calculated under clause (ii) the total
18 amount of payments made under para-
19 graph (1) that have not, in a prior applica-
20 tion of this clause, previously been so sub-
21 tracted from a calculation made under
22 clause (ii).

23 “(E) AMOUNT OF PAYMENTS TO INDIVIDUAL PRACTICES THAT MEET PERFORMANCE
24 STANDARDS AND ACHIEVE SAVINGS.—
25

1 “(i) PAYMENTS ONLY TO PRACTICES
2 THAT MEET PERFORMANCE STANDARDS.—
3 The Secretary may not make performance
4 incentive payments to a participating on-
5 cology practice under subparagraph (A)
6 with respect to a year of the demonstration
7 project described in subparagraph (B) un-
8 less the practice meets or exceeds the per-
9 formance standards developed under sub-
10 section (e)(4)(B) for the year with respect
11 to—

12 “(I) the measures on which the
13 practice has agreed to report to the
14 Secretary under subsection (c)(6)(A);
15 and

16 “(II) the patient experience of
17 care on which the practice has agreed
18 to report to the Secretary under sub-
19 section (c)(6)(B).

20 “(ii) CONSIDERATION OF PERFORM-
21 ANCE ASSESSMENT.—The Secretary shall,
22 in consultation with the appropriate stake-
23 holders described in subsection (e)(3)(B) in
24 a manner determined by the Secretary, de-
25 termine the amount of a performance in-

1 centive payment to a participating oncol-
2 ogy practice under subparagraph (A) for a
3 year of the demonstration project described
4 in subparagraph (B). In making a deter-
5 mination under the preceding sentence, the
6 Secretary shall take into account the per-
7 formance assessment of the practice under
8 subsection (e)(4)(A) with respect to the
9 year and the aggregate pool available for
10 making payments for such year determined
11 under subparagraph (D), as available for
12 such year.

13 “(3) ISSUANCE OF GUIDANCE.—Not later than
14 the date that is 12 months after the date of the en-
15 actment of this section, the Secretary shall issue
16 guidance detailing the methodology that the Sec-
17 retary will use to implement subparagraphs (D) and
18 (E) of paragraph (2).

19 “(g) SECRETARY REPORTS TO PARTICIPATING ON-
20 COLOGY PRACTICES.—The Secretary shall inform each
21 participating oncology practice, on a periodic (such as
22 quarterly) basis, of—

23 “(1) the performance of the practice with re-
24 spect to the measures on which the practice has

1 agreed to report to the Secretary under subsection
2 (c)(6)(A); and

3 “(2) the estimated amount by which the ex-
4 penditures that would have been expended under
5 parts A and B for items and services furnished to
6 individuals attributed to the practice if the dem-
7 onstration project had not been implemented exceeds
8 the actual expenditures for such individuals.

9 “(h) APPLICATIONS FROM ENTITIES TO PROVIDE
10 ACCREDITATIONS.—Not later than the date that is 18
11 months after the date of the enactment of this section,
12 the Secretary shall establish a process for the acceptance
13 and consideration of applications from entities for pur-
14 poses of determining which entities may provide accredita-
15 tion to practices under subsection (c)(4) in addition to the
16 entities described in such subsection.

17 “(i) REVISIONS TO DEMONSTRATION PROJECT.—The
18 Secretary may make appropriate revisions to the dem-
19 onstration project under this section in order for partici-
20 pating oncology practices under such demonstration
21 project to meet the definition of an eligible alternative pay-
22 ment entity for purposes of section 1833(z).

23 “(j) WAIVER AUTHORITY.—The Secretary may waive
24 such provisions of this title and title XI as the Secretary

1 determines necessary in order to implement the dem-
2 onstration project under this section.

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

○