

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

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 2017”.

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 an oncology drug therapy from
13 the practice, the percentage of such indi-
14 viduals who underwent a diagnostic test to
15 identify specific biomarkers, genetic
16 mutations, or characteristics prior to re-
17 ceiving an oncology drug therapy, where
18 such a diagnostic test exists for a given
19 cancer type.

20 “(vii) With respect to such individuals
21 who receive chemotherapy treatment from
22 the practice, the percentage of such indi-
23 viduals so treated who receive a treatment
24 plan prior to the administration of such
25 chemotherapy.

1 “(viii) With respect to chemotherapy
 2 treatments administered to such individ-
 3 uals by the practice, the percentage of such
 4 treatments that adhere to guidelines pub-
 5 lished by the National Comprehensive Can-
 6 cer Network or such other entity as the
 7 Secretary determines appropriate.

8 “(ix) With respect to antiemetic drugs
 9 dispensed by the practice to individuals as
 10 part of moderately or highly emetogenic
 11 chemotherapy regimens for such individ-
 12 uals, the extent to which such drugs are
 13 administered in accordance with evidence-
 14 based guidelines or pathways that are com-
 15 pliant with guidelines published by the Na-
 16 tional Comprehensive Cancer Network or
 17 such other entity as the Secretary deter-
 18 mines appropriate.

19 “(B) RESOURCE UTILIZATION MEAS-
 20 URES.—

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

1 that are associated with qualified cancer
2 diagnoses of the individuals.

3 “(ii) With respect to hospital admis-
4 sions in a year by such individuals who are
5 receiving active chemotherapy treatment
6 administered by the practice as of the date
7 of such visits, the percentage of such ad-
8 missions that are associated with qualified
9 cancer diagnoses of the individuals.

10 “(C) SURVIVORSHIP MEASURES.—

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

14 “(ii) Survival rates for such individ-
15 uals who have been diagnosed with stage I
16 through IV colorectal cancer.

17 “(iii) Survival rates for such individ-
18 uals who have been diagnosed with stage I
19 through IV lung cancer.

20 “(iv) With respect to such individuals
21 who receive chemotherapy treatment from
22 the practice, the percentage of such indi-
23 viduals so treated who receive a survivor-
24 ship plan not later than 45 days after the

1 completion of the administration of such
2 chemotherapy.

3 “(v) With respect to such individuals
4 who receive chemotherapy treatment from
5 the practice, the percentage of such indi-
6 viduals who receive psychological screening.

7 “(D) END-OF-LIFE CARE MEASURES.—

8 “(i) The number of times that such
9 an individual receives chemotherapy treat-
10 ment from the practice within an amount
11 of time specified by the Secretary, in con-
12 sultation with stakeholders, prior to the
13 death of the individual.

14 “(ii) With respect to such individuals
15 who have a stage IV disease and have re-
16 ceived treatment for such disease from the
17 practice, the percentage of such individuals
18 so treated who have had a documented
19 end-of-life care conversation with a physi-
20 cian in the practice or another health care
21 provider who is a member of the cancer
22 care team of the practice.

23 “(iii) With respect to such an indi-
24 vidual who is referred to hospice care by a
25 physician in the practice or a health care

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

7 “(iv) With respect to such individuals
 8 who die while receiving care from the prac-
 9 tice, the percentage of such deceased indi-
 10 viduals whose death occurred in an acute
 11 care setting.

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

14 “(A) IN GENERAL.—The Secretary may, in
 15 consultation with appropriate stakeholders in a
 16 manner determined by the Secretary, modify,
 17 replace, remove, or add to the measures de-
 18 scribed in paragraph (2).

19 “(B) APPROPRIATE STAKEHOLDERS DE-
 20 SCRIBED.—For purposes of subparagraph (A),
 21 the term ‘appropriate stakeholders’ includes on-
 22 cology societies, oncologists who furnish oncol-
 23 ogy services to one or more individuals for
 24 which payment may be made under part B, al-
 25 lied health professionals, health insurance

1 issuers that have implemented alternative pay-
2 ment models for oncologists, patients and orga-
3 nizations that represent patients, and bio-
4 pharmaceutical and other medical technology
5 manufacturers.

6 “(4) ASSESSMENT.—

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

10 “(i) the performance of each partici-
11 pating oncology practice for such year with
12 respect to the measures on which the prac-
13 tice has agreed to report to the Secretary
14 under subsection (c)(6)(A), as compared to
15 the performance of other participating on-
16 cology practices with respect to such meas-
17 ures; and

18 “(ii) the extent to which each partici-
19 pating oncology practice has, during such
20 year, used breakthrough or other best-in-
21 class therapies.

22 “(B) PERFORMANCE STANDARDS.—The
23 Secretary shall, in consultation with the appro-
24 priate stakeholders described in paragraph
25 (3)(B) in a manner determined by the Sec-

1 retary, develop performance standards with re-
2 spect to—

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

7 “(ii) the patient experience of care on
8 which participating oncology practices
9 agree to report to the Secretary under sub-
10 section (c)(6)(B).

11 “(f) PAYMENTS FOR PARTICIPATING ONCOLOGY
12 PRACTICES AND ONCOLOGISTS.—

13 “(1) CARE COORDINATION MANAGEMENT FEE
14 DURING FIRST TWO YEARS OF DEMONSTRATION
15 PROJECT.—

16 “(A) IN GENERAL.—The Secretary shall,
17 in addition to any other payments made by the
18 Secretary under this title to a participating on-
19 cology practice, pay a care coordination man-
20 agement fee to each such practice at each of the
21 times specified in subparagraph (B).

22 “(B) TIMING OF PAYMENTS.—The care co-
23 ordination management fee described in sub-
24 paragraph (A) shall be paid to a participating

1 oncology practice at the end of each of the fol-
2 lowing periods:

3 “(i) The period that ends 6 months
4 after the date on which the practice’s
5 agreement period for the demonstration
6 project begins, as determined by the Sec-
7 retary.

8 “(ii) The period that ends 12 months
9 after the date on which the practice’s
10 agreement period for the demonstration
11 project begins, as determined by the Sec-
12 retary.

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

14 “(I) the period that ends 18
15 months after the date on which the
16 practice’s agreement period for the
17 demonstration project begins, as de-
18 termined by the Secretary; and

19 “(II) the period that ends 24
20 months after the date on which the
21 practice’s agreement period for the
22 demonstration project begins, as de-
23 termined by the Secretary.

24 “(C) AMOUNT OF PAYMENT.—The Sec-
25 retary shall, in consultation with oncologists

1 who furnish oncology services for which pay-
 2 ment may be made under part B in a manner
 3 determined by the Secretary, determine the
 4 amount of the care coordination management
 5 fee described in subparagraph (A).

6 “(2) PERFORMANCE INCENTIVE PAYMENTS.—

7 “(A) IN GENERAL.—Subject to subpara-
 8 graphs (C) and (E), the Secretary shall, in ad-
 9 dition to any other payments made by the Sec-
 10 retary under this title to a participating oncol-
 11 ogy practice, pay a performance incentive pay-
 12 ment to each such practice for each year of the
 13 demonstration project described in subpara-
 14 graph (B).

15 “(B) TIMING OF PAYMENTS.—The per-
 16 formance incentive payment described in sub-
 17 paragraph (A) shall be paid to a participating
 18 oncology practice as soon as practicable fol-
 19 lowing the end of the third, fourth, and fifth
 20 years of the demonstration project.

21 “(C) SOURCE OF PAYMENTS.—Perform-
 22 ance incentive payments made to participating
 23 oncology practices under subparagraph (A) for
 24 each of the years of the demonstration project
 25 described in subparagraph (B) shall be paid

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

5 “(D) AGGREGATE POOL AVAILABLE FOR
6 MAKING PAYMENTS.—With respect to each of
7 the years of the demonstration project described
8 in subparagraph (B), the aggregate pool avail-
9 able for making performance incentive pay-
10 ments for each such year shall be determined
11 by—

12 “(i) estimating the amount by which
13 the aggregate expenditures that would
14 have been expended for the year under
15 parts A and B for items and services fur-
16 nished to individuals attributed to partici-
17 pating oncology practices if the demonstra-
18 tion project had not been implemented ex-
19 ceeds such aggregate expenditures for such
20 individuals for such year of the demonstra-
21 tion project;

22 “(ii) calculating the amount that is
23 half of the amount estimated under clause
24 (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

1 “(II) the patient experience of
2 care on which the practice has agreed
3 to report to the Secretary under sub-
4 section (c)(6)(B).

5 “(ii) CONSIDERATION OF PERFORM-
6 ANCE ASSESSMENT.—The Secretary shall,
7 in consultation with the appropriate stake-
8 holders described in subsection (e)(3)(B) in
9 a manner determined by the Secretary, de-
10 termine the amount of a performance in-
11 centive payment to a participating oncol-
12 ogy practice under subparagraph (A) for a
13 year of the demonstration project described
14 in subparagraph (B). In making a deter-
15 mination under the preceding sentence, the
16 Secretary shall take into account the per-
17 formance assessment of the practice under
18 subsection (e)(4)(A) with respect to the
19 year and the aggregate pool available for
20 making payments for such year determined
21 under subparagraph (D), as available for
22 such year.

23 “(3) ISSUANCE OF GUIDANCE.—Not later than
24 the date that is 12 months after the date of the en-
25 actment of this section, the Secretary shall issue

1 guidance detailing the methodology that the Sec-
2 retary will use to implement subparagraphs (D) and
3 (E) of paragraph (2).

4 “(g) SECRETARY REPORTS TO PARTICIPATING ON-
5 COLOGY PRACTICES.—The Secretary shall inform each
6 participating oncology practice, on a periodic (such as
7 quarterly) basis, of—

8 “(1) the performance of the practice with re-
9 spect to the measures on which the practice has
10 agreed to report to the Secretary under subsection
11 (c)(6)(A); and

12 “(2) the estimated amount by which the ex-
13 penditures that would have been expended under
14 parts A and B for items and services furnished to
15 individuals attributed to the practice if the dem-
16 onstration project had not been implemented exceeds
17 the actual expenditures for such individuals.

18 “(h) APPLICATIONS FROM ENTITIES TO PROVIDE
19 ACCREDITATIONS.—Not later than the date that is 18
20 months after the date of the enactment of this section,
21 the Secretary shall establish a process for the acceptance
22 and consideration of applications from entities for pur-
23 poses of determining which entities may provide accredita-
24 tion to practices under subsection (c)(4) in addition to the
25 entities described in such subsection.

1 “(i) REVISIONS TO DEMONSTRATION PROJECT.—The
2 Secretary may make appropriate revisions to the dem-
3 onstration project under this section in order for partici-
4 pating oncology practices under such demonstration
5 project to meet the definition of an eligible alternative pay-
6 ment entity for purposes of section 1833(z).

7 “(j) WAIVER AUTHORITY.—The Secretary may waive
8 such provisions of this title and title XI as the Secretary
9 determines necessary in order to implement the dem-
10 onstration project under this section.

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

○