

Is your practice ready for an uncertain future?

The questions you should be asking your staff

Dawn G. Holcombe, FACMPE, ACHE, MBA

Cancer Clinics of Excellence, Connecticut Oncology Association, South Windsor, CT

Oncology practices are facing a chaotic future, one that will be deeply affected by public and private payment reforms as well as competitive and market changes. This article suggests three scenarios for the future, and the key questions that practices should be asking themselves as they prepare for whatever lies ahead.

What does the future hold for oncology, and how best can practices prepare? Given the chaos surrounding practice today, the answer is complex. It depends on: 1) the unpredictable (and often illogical) actions of public and private payers; 2) the willingness of individual oncology providers to make difficult decisions and key operational changes; and 3) the plans and determination of external parties to insert themselves into the cancer delivery system.

The results of these forces (often moving in conflicting directions) will shape the nation's access to cancer care and the way that care is delivered.

What follows are three scenarios for the future and a preparation checklist.

The big picture

A numbers game

In a perfect world, scientific advances alone would shape cancer care. But dwindling financial resources and escalating costs are edging out treatment advances as a driving force of care and access to care. As a result, practices of the future are going to have to become much more nimble, continually reviewing and adjusting their choices. Practice administrators and physicians will need to become adept at tracking, benchmarking, trending, and analyzing data on drugs, volumes, regimens, outcomes, and resources. General practice staff and other medical personnel will need to understand these analyses and their implications. Payroll, accounting, and practice management systems will have to be integrated with electronic medical records, and successful practices will need to be highly skilled at full cost accounting.

Despite the current noise about pay-for-performance programs, few are actually being executed in oncology, due to the complexities of the specialty

and lack of adequate data for analysis. Networking will lead to greater understanding of the benefits of treatment choices and more efficient use of the physical, psychological, and financial resources involved in cancer care. Physicians should serve as the drivers and hosts of evidence-based medical treatment planning and development of standards and protocols—both internally in the practice and globally among practices.

A tiered system

If federal reimbursement fails to meet costs for both professional services and drugs, and private reimbursement blindly follows, the oncology care delivery system as we now know it will break down. Small oncology practices will find it too costly to maintain a broad range of services and may be forced to specialize or close. Although practice-based physicians may be able to keep their doors open in boutique settings, they may look to employment at large regional centers.

While community oncologists make every effort to protect those in active treatment, many are referring their patients to local hospitals or distant cancer centers. But these care settings may also see a dramatic decrease in cancer reimbursement, further restricting access to care.

Already, large private companies, insurers, and even chain organizations such as Walgreens and CVS, have started to explore the idea of creating infusion centers for their constituencies.

Manuscript received December 14, 2005; accepted January 2, 2006.

Correspondence to: Dawn G. Holcombe, FACMPE, ACHE, MBA, Cancer Clinics of Excellence, Connecticut Oncology Association, 33 Woodmar Circle, South Windsor, CT 06074; telephone: 860-305-4510; fax: 860-644-9119; e-mail: dawnho@aol.com.

Commun Oncol 2006;3:00-00 © 2006 Elsevier Inc. All rights reserved.

A tiered system of care would offer choices of drug and complementary services to those who can afford to pay a higher scale.

More lab, less ICU

Oncology is a specialty of hope: hope that a cure is around the corner, that new markers will help tailor treatments to make them effective, that vaccines may reduce cancer incidence in our lifetime, and that technology will afford more targeted diagnosis and treatment of cancer.

Assuming that reimbursement more closely approaches costs and that clinical integration streamlines treatment decisions, the oncology practice of this future scenario may resemble more of a laboratory than an intensive care unit. Rather than the infusion centers we now know, patients will be receiving oral medication or tiny infusion pumps electronically monitored remotely. Patients may spend most of their diagnostic time being tested, so physicians can conduct focused discussions during which clear treatment plans could be individually tailored, with predictable outcomes.

The big questions

However it all shakes out, practices should consider these questions in the following preparation checklist. **Consider calling a series of staff meetings in which you focus on just one or two of these areas at a time. Your future and that of your patients could depend on it.**

External perspective

1. Have you identified the players driving the public, private, and business trends affecting oncology care and reimbursement?
2. Are you part of their discussions? If not, how soon can you be?
3. Do you belong to business networks in the area?

Market perspective

4. Do you understand the cancer profile of your geographic market?
5. Who is your competition and what is their stability?
6. What are the opportunities and barriers for other entities to move into cancer care locally or regionally?
7. What is the ability of your patients to continue paying for services?

Practice infrastructure

8. Can your practice withstand the short- and long-term pressures of dramatic change, alterations in support staff, or fluctuations in efficiency?
9. Can you and your staff easily cross-train should cancer care change precipitously?
10. How quickly can you respond to unexpected shifts?

11. Do you have lines of credit established to bridge interruptions to cash flow?

Technology infrastructure

12. What is the state of your office technology?
13. How flexible is it? Can it be used across your system: laboratory, clinical, payroll, accounts payable, electronic medical records, tracking, outcomes, trending, and patient support?

The numbers

14. Can your practice obtain and understand the data needed for all clinical and financial issues?
15. What are your costs/revenues per drug, staff, regimen, hour, break-even, patient, and per physician?
16. What are your costs/revenues for codes, capacity, work flow, and individual payer policies?
17. What are your costs/revenues for payer rates, time to pay, denial reasons, and frequency per code?
18. Is your practice's operating efficiency regularly evaluated for opportunities to standardize?
19. Are patient outcomes and

quality of life continually evaluated?

20. Is your entire staff encouraged to identify opportunities for improvement in the quality, efficiency, and effectiveness of your practice operations?

Vision

21. Have you taken the lead and established policy initiatives in your community? If you sit on the sidelines and wait until a new path is chosen for you, your practice may be unable to surmount obstacles and continue serving patients.

Advocacy

22. Is your practice involved in the local and national media and patient discussions that policy changes demand?

Collaboration

23. Are you actively involved in local and national professional associations and networks? These organizations can mean the difference between a successful practice and one that is unable to navigate the coming changes.

Conclusion

None of us truly knows what the future holds. In oncology, there is a higher driving force—the desire to help our patients and their families battle cancer and win. If we are fortunate and aggressive in preparing for the uncertain future, we can continue that battle, albeit differently than we did 5 years ago. It is up to each individual practice to choose its own path and to make sure our colleagues do not walk their chosen path alone.

ABOUT THE AUTHOR

Affiliation: Ms. Holcombe is [AU: PROVIDE MISSING INFO] at Cancer Clinics of Excellence, Connecticut Oncology Association, South Windsor, CT.

Competing interests: [AU: PLEASE INCLUDE ANY FINANCIAL CONFLICTS]