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It's Time for a Proactive Approach to Financial Assistance Cycle Management in Cancer Care

By Jennifer Vito

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In the United States, cancer is one of the costliest medical conditions to treat, with at least \$150 billion being spent per year for cancer care, according to a report by the National Cancer Institute.¹ To put this into perspective, in the five-year period from 2011 to 2016, national spending on cancer treatments alone rose \$16 billion.² An evaluation of trends in expenditures for initial cancer treatment demonstrates that costs are also likely to continue increasing as more advanced and more expensive treatments become adopted as standards of care.³ Today, the average monthly cost of chemotherapy, which is one of the most common cancer treatments, can range from \$1,000 to \$12,000.⁴ According to the American Society of Clinical Oncology (ASCO), newly-approved cancer treatments cost an average of \$10,000 per month, with some as high as \$30,000 per month.^{5,6} Just over a decade ago, the average was \$4,500 per month.^{5,6}

Even with a typical employer-sponsored health insurance plan, a patient with 25% coinsurance would have monthly out-of-pocket (OOP) costs of \$2,500 for a cancer treatment that costs \$10,000 each month. That is nearly 70% of the monthly income for an average American, which is about \$3,700 before taxes, based on data reported by the U.S. Bureau of Labor Statistics.⁷ In a survey of patients with cancer and their families, nearly 20% estimated that they spent more than \$20,000 annually in total OOP costs,⁴ which is about half what a full-time wage or salary

worker makes in a year.⁷ This is up from more than \$10,000 in OOP costs reported by 20% of patients with common cancers in a separate survey conducted about a decade ago.⁸

Concurrent with escalating price tags of cancer treatments, employers continue to manage their health insurance costs—trying to keep growth in benefit expenditures low—by implementing higher cost-sharing requirements and utilizing cost-

management tools such as prior authorizations.⁹ The shift in oncology practice to use more oral-based medications to treat cancer compounds the issue, as oral chemotherapies are typically covered under a specialty tier of pharmacy benefits and require high coinsurance that patients pay out of pocket.¹⁰ As a result, patients with cancer will constantly experience rising OOP costs. Without appropriate financial assistance, many Americans struggle to afford their prescribed cancer treatments. Consequently, the real costs of cancer care in the United States may be underestimated. A closer look at the hardships associated with cancer care is warranted.

Prices higher than \$10,000 a month for cancer treatments are common. After premiums and deductibles of health insurance are met, the OOP costs could be nearly as much or more than the average American makes per month.

Financial Toxicity: Hardships Associated with Cancer Care

The term financial toxicity describes the hardships of expensive and frequently unaffordable cancer care on patients, as well as on their families.^{11,12} Since the term was coined, researchers have tried

to understand how patients and families fully experience the financial burden of cancer care. An increasing number of research studies show that when financial assistance is not appropriately managed, patients and families experience financial, psychosocial, and medical hardships. Additionally, oncology practices and healthcare providers often experience financial hardships.

Financial Hardships Experienced by Patients and Families

Research has shown that cancer patients are almost three times more likely to experience personal bankruptcy than individuals without cancer.¹³ According to a 2017 ASCO report, more than 30% of U.S. cancer survivors under age 65 incurred debt as a result of their treatment, with 55% owing at least \$10,000 and 3% having declared bankruptcy.¹⁴ In an impressive study of 9.5 million cancer survivors age 50 or older, approximately 40% had exhausted their life savings and all their other assets just two years after diagnosis.¹⁵ In addition to the direct OOP costs incurred, the “hidden” costs of cancer care and treatment are startling. Patients with cancer often experience difficulty maintaining employment, along with decreased income and loss of employer-based health insurance.¹² In 2015, cancer cost Americans over \$94 billion in lost earnings.¹⁶

Psychosocial Hardships Experienced by Patients and Families

Financial toxicity can result in emotional distress. As a result of incurred debt, patients struggling to afford their cancer treatments may feel embarrassed or ashamed. In a survey of almost 2,000 patients with common cancers, 20% to 40% responded that the financial costs of treating their cancer had caused a “large amount of distress” in their lives.⁸ These emotions can manifest into social withdrawal and/or psychological symptoms such as anxiety

and depression. Left untreated, the psychosocial manifestations inevitably diminish health-related quality of life, but can also further contribute to financial hardship resulting from missed work days and the ensuing lost wages.

Medical Hardships Experienced by Patients and Families

Studies demonstrate that financial toxicity regularly drives healthcare decisions by patients—and significantly compromises their health outcomes. For example, in a survey of more than 1,000 cancer patients, 25% experienced delays in accessing cancer care and nearly 1 out of 4 patients surveyed chose not to get recommended healthcare services, including prescribed treatment, because of high OOP costs.¹⁷ Similarly, in the aforementioned survey of nearly 2,000 cancer patients, approximately 10% reported that they decided to forego recommended cancer treatment because it was too costly; this percentage increased to 25% for patients with an annual income of less than \$40,000.⁸ Patients who do not receive the intended treatment as prescribed by their oncologist or experience treatment delays caused by affordability issues have a higher likelihood of diminished outcomes, including a greater risk of death.¹⁸ Studies also suggest a direct correlation between financial hardship and cancer-related death. A follow-up study of more than 230,000 patients diagnosed with cancer, for instance, revealed that those who declared bankruptcy had nearly an 80% greater risk of death than those who had not.¹⁹ Other researchers have reported that cancer death rates are approximately 20% higher among residents of the poorest U.S. counties as compared with the most affluent counties.⁴

Hardships Experienced by Practices and Providers

Though most research has focused on patients with cancer, it is well known that oncology practices and

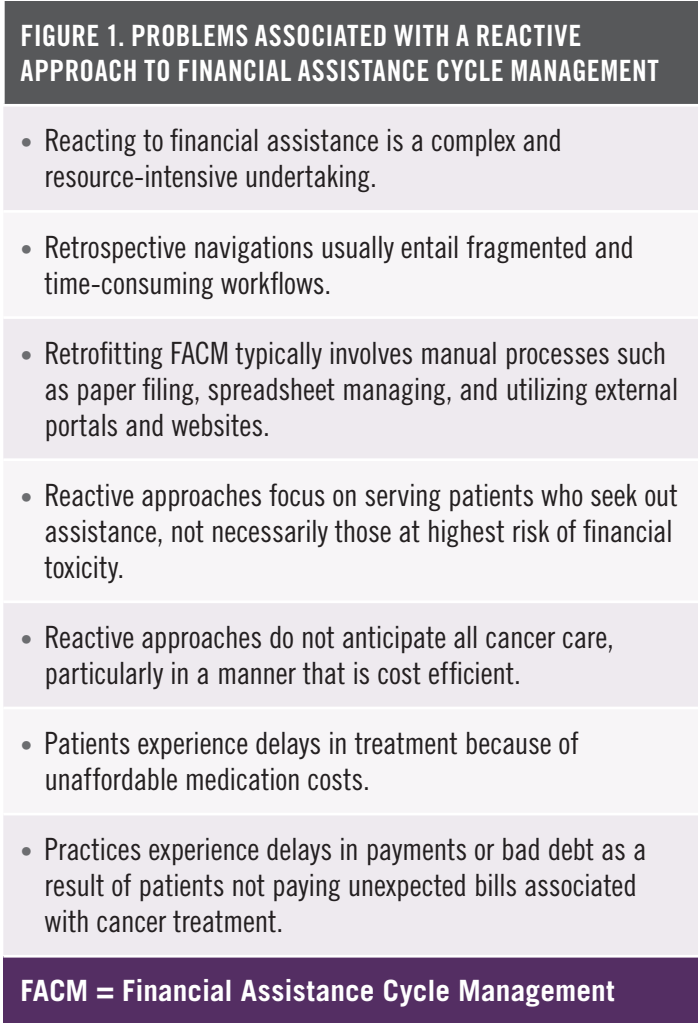
providers experience hardships from financial toxicity as well. The process of trying to mitigate financial toxicity alone creates administrative burdens on many oncology practices. The burden associated with prior authorizations for cancer treatments, for example, increases practice expenses. In an ASCO report of the state of oncology practices in America, it was reported that practices needed an average of six full-time-equivalent staff devoted to managing payer prior authorizations.²⁰

When patients are not appropriately supported with financial assistance, additional and, oftentimes, substantial financial hardships are incurred by providers. As patient OOP costs continue to rise, oncology practices have increasingly incurred bad debt—which is debt deemed unlikely to be paid and is consequently written off as a loss—resulting from uncompensated care and unpaid financial obligations.²¹ A study of 125 million outpatient visits from over 1,000 medical practices demonstrated that for patient OOP costs above \$200, roughly 15% was written off as bad debt and about another 15% was sent to collection agencies.²¹ For high-cost care such as cancer treatment, this can amount to significant losses for healthcare providers.

The Problem: Reactive Approach to Financial Assistance Cycle Management

In response to the aforementioned hardships, many oncology practices have implemented financial assistance cycle management (FACM) processes to ease the burden of financial toxicity on cancer patients and mitigate financial losses for healthcare providers. Despite good intentions, though, these processes primarily utilize manual tools, such as paper, sticky notes, and spreadsheets. Often, the processes are fragmented, requiring financial counselors to navigate hundreds of patient access portals and fill out enrollment forms with information

that already exists in their electronic systems. More importantly, the majority of these processes are utilized reactively rather than proactively. Problems with a reactive approach to FACM are described below in Figure 1.



The manual, complex, and resource-intensive approach to FACM that is often employed by oncology practices puts limitations on patient outreach and process efficiencies. These limitations can make it difficult for practices to identify financially at-risk patients in order to enroll them in applicable financial assistance programs offered by life sciences and charitable foundations, and the patients themselves

may not even know such programs exist (and thus do not proactively seek to be enrolled in them).^{14,22} As a result, patients with the greatest financial need or at highest risk for bad debt may not receive available assistance; many experience delays in cancer treatment because they cannot afford the prescribed medication once the bill arrives, or they cannot pay for the medication at the point of sale with pharmacies. Additionally, practices experience gaps in revenue resulting from delays in payments or bad debt from patients, particularly because of unexpected bills. For example, in a 2016 survey of more than 1,000 cancer patients performed by the Cancer Support Community, roughly 43% reported higher than expected OOP costs, especially for chemotherapy and immunotherapy treatments.¹⁷

The Solution: Proactive Approach to Financial Assistance Cycle Management

Although life sciences and charitable foundations offer financial assistance, accessing these programs can be very difficult for cancer patients, oncology practices, and healthcare providers alike.¹⁸ For numerous reasons, patients frequently cannot access information about financial assistance on their own,^{22,23} and practices commonly are inefficient with navigating these programs on behalf of their patients due, in large part, to the disparate nature of enrollment forms and online portals indicative of the process.¹⁸ The reactive approach to FACM entails treating, billing, and then dealing with the financial toxicity experienced by the patient.¹² This process needs to be reversed. Oncology practices should provide competent, proactive FACM services that anticipate and prevent financial toxicity, then treat the patient.¹² An exemplar case of this

approach is with New Mexico Cancer Center (NMCC) in Albuquerque, NM. In a recently conducted interview, Tonia Bateman, Billing Office Manager for NMCC, described the problems experienced by their oncology practice with a reactive approach to FACM, and highlighted how these problems have been mitigated since NMCC transitioned to a proactive approach.



Tonia Bateman

“We have found that by being proactive, we can ensure the patient can afford all costs before starting treatment.”

— Tonia Bateman,
New Mexico Cancer Center

According to Bateman, their old approach of being reactive in their FACM posed many issues for both their practice and their patients. Specifically, she noted that the task of tracking financial awards consumed a considerable amount of time and resources. “Before adopting a proactive approach, we were keeping all of our [financial assistance] information on a massive spreadsheet,” admitted

Bateman. She went on to explain, “We had to manually enter all patients on the spreadsheet when we enrolled them [in a financial assistance program], how much was approved, and every time we submitted a claim to the program. Once we received the check back, we had to manually reconcile the spreadsheet. It was almost a full-time job [just] to track the awards and keep the information up to date.” Bateman also pointed out that once a patient started cancer treatment and incurred a financial balance, the patient generally could not stop treatment and the NMCC practice was inclined to not interrupt cancer care.

As a proactive solution for providers, NMCC implemented AssistPoint, an FACM software platform

developed by Annexus Health. The platform helps administrative staff, including financial counselors, search myriad assistance programs, which include copay assistance, targeted free and replacement drug, reimbursement support, disease-related education, and treatment-related travel, among others; enrolls qualifying patients in assistance programs; tracks financial awards related to cancer treatments; and analyzes and reports all aspects of the FACM.¹⁸ Through a cloud-based software interface, essential patient information (e.g., insurance details, assistance payments) flows from the healthcare provider's practice management (PM) system to AssistPoint, and financial assistance information (e.g., journey summary) is sent from AssistPoint back to the provider's electronic health record. The connectivity that occurs between AssistPoint and the PM system, which is well recognized as the "system of truth" in the healthcare provider space, enables financial counselors to efficiently work up patients for financial assistance using a single platform and to seamlessly see the spend down on the financial award. The latter feature empowers financial counselors—within these practices—with the knowledge to secure additional funding for patients when necessary, and with the administrative assistance to appropriately manage the support in order to ensure that no patient falls through the cracks. As a workflow platform, AssistPoint allows oncology practices to search, enroll, track, and analyze financial assistance. As a result, AssistPoint helps practices to automate the FACM workflow in order to make the proactive approach possible.

"With AssistPoint, finding assistance programs for our patients takes 10 seconds, as opposed to 2 hours with our old, reactive approach."

— Tonia Bateman,
New Mexico Cancer Center

"Prior to using AssistPoint, our financial counselors had to search the internet for hours, trying to research all of the programs available for patients," said

Bateman. She went on to state, "With AssistPoint, financial counselors can search all of the patients in our practice and the programs available are automatically provided by the software. Being able to let a patient know right away what financial assistance is available is priceless. It helps ease the patient's mind when the individual knows their financial obligation upfront."

In terms of analytics, Bateman stated, "Now that the payment

information is within AssistPoint, we are able to report on this information much faster and also see what money is owed to us in a timelier manner. Instead of taking days to compile financial information, with AssistPoint analytics, our practice can search for any needed information—by patient, drug, foundation, or other metric—in just minutes. We have been able to identify situations more quickly for patients that are on free drug to ensure there is not something going on with one of our payers."

Summary

Despite the rising promise of novel chemotherapies and immunotherapies that continue to enter the healthcare market, the high price tags associated with these treatments may render them inaccessible for many cancer patients. While cancer is indiscriminate in whom it affects and financial toxicity can affect various patients, the high OOP costs of cancer treatment are especially onerous on Americans who are underinsured or uninsured, low-income families, and blue-collar workers who may lose wages as a

result of their health issues.⁴ Amidst the ongoing COVID-19 pandemic, tens of millions of Americans abruptly lost their jobs and have been forced to file for unemployment. The speed and magnitude of the loss defies comparison. In light of the soaring unemployment rate, millions of patients and their families will be left underinsured or uninsured in what has been coined the “new normal” economy for the United States. Considering that it could take years to recover from this economic strife, a proactive approach to FACM is more imperative than ever before in our nation’s history.

Several of the newer cancer treatments cost nearly as much or more per month than the average American makes in a year. High OOP costs not only deplete patients’ financial accounts but, oftentimes, dictate their treatment decisions. Although financial support programs are available, accessing them can be extremely complicated for patients and their families, and cumbersome for practices and providers. Using a connected workflow platform that provides the vast features necessary to shift from a reactive to proactive approach holds a great deal of potential

for both patients and practices. Proactive financial navigation approaches that utilize these types of workflow platforms to perform end-to-end FACM will ultimately enable more cancer patients to benefit from financial assistance programs and get the cancer care they need, while simultaneously mitigating the administrative and financial hardships experienced by oncology practices. Additionally, pharmaceutical companies have the opportunity to play an important role in FACM. An improved user experience and compression of workflow required to access financial assistance programs reduces the burdens confounding a proactive approach for providers and patients.

Annexus Health has been helping patients gain access to financial assistance since 2018, with now over \$308 million in total awards processed through AssistPoint. For providers, we can help implement a proactive approach to FACM at your practice. For pharmaceutical companies, we can improve the user experience for your valuable financial assistance programs. Contact us to learn more about how we can help you.



Jennifer Vito

About the Contributor

Jennifer Vito is the Senior Vice President of Provider Solutions for Annexus Health. With over two decades of oncology experience, Jennifer fully comprehends the overall treatment journey for patients and how to best support their needs. She is dedicated to reducing the barriers that exist between patients and care, ultimately helping patients gain access to intended health care.

About Annexus Health

ANNEXUSHealth



Annexus Health is a privately held healthcare technology company, focused on developing solutions that reduce administrative burdens across the patient journey to improve access, speed, and adherence to critical care.

Visit www.annexushealth.com to learn more.

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