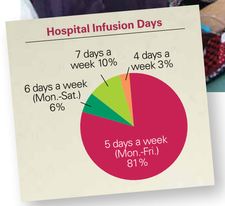
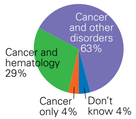
Infusion Centers At-a-Glance

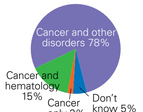
- Mean number of infusion chairs: 20 (hospital-owned) and 1 (included in the cancer program but not hospital-owned). This number continues to grow from 17.9 (hospital-owned) and 2.9 (included in the cancer program but not hospital-owned) in Year 3 and 16 total infusion chairs (not broken down by ownership) in Year 2.
- Average FTE nurse-to-patient ratio in the infusion center is 1:4, down from 1:6 in the Year 3 Survey. The mean number of FTE nurses per infusion patient per day is 1:5.
- Average number of patients infused daily per infusion chair is 8.2, which is up significantly from 5.5 (Year 3) and 5.2 (Year 2). Are infusion centers staying open longer?
- Most cancer programs still only infuse patients Monday-Friday.
- 53% of programs indicated that infusion of non-chemotherapy fluids is included in the service line.



Is the Infusion Center Dedicated to Cancer?



Year 4 Survey



Year 3 Survey

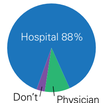
Who Mixes?

And Where?

Plans to Expand Infusion Center

Plans to Expand Infusion Services to a Satellite Location

Who Bills for Infused Drugs?



Year 4 Survey

Year 3 Survey

Want to Learn More? Visit
www.accc-cancer.org

Financial Performance

Most respondents (80%) report their program's financial status as "good" to "very good" in 2011, a slight drop from the 84% who rate their program's financial health as "good" to "very good" in 2010. More respondents (37%) report "very good" financial health in 2011 compared to 25% in 2010. This better bottom line may be due to more consolidation with oncology practices and a clearer understanding of the current and near-future reimbursement climate.

Still, it is interesting to note that one in four cancer programs do not have sufficient data to track oncology profit & loss (P&L). Of the 75% who do have sufficient data to track oncology P&L, almost all do track it.

Cost containment and cost reduction are key elements in maintaining financial stability within a cancer program. Reducing travel or education expenses, renegotiating vendor contracts, and cutting administrative costs are popular strategies to reduce costs. Less than one-third of respondents report hiring freezes (28%), and fewer still report salary freezes (18%), or elimination of bonuses and incentives (17%).

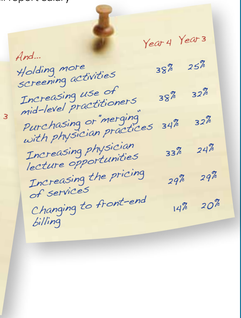
Are You Adding New Technologies or Services to Improve Revenue?

To Reduce Costs Survey Respondents Are...

	Year 4	Year 3
Reducing travel or education expenses	72%	81%
Renegotiating vendor contracts	71%	68%
Cutting administrative costs	56%	64%
Delaying equipment purchases	52%	58%
Delaying construction	41%	42%
Reducing staff	39%	42%

To Increase Revenues Survey Respondents Are...

	Year 4	Year 3
Adding new technology and/or services	61%	51%
Increasing physician-to-physician outreach	54%	61%
Conducting more coding reviews	47%	56%
Increasing print advertising	46%	39%
Increasing TV or radio advertising	41%	36%
Increasing online advertising	39%	39%



And...

	Year 4	Year 3
Holding more screening activities	38%	25%
Increasing use of mid-level practitioners	35%	32%
Purchasing or merging with physician practices	34%	32%
Increasing physician lecture opportunities	33%	24%
Increasing the pricing of services	29%	29%
Changing to front-end billing	14%	20%

What Respondents Said

"There is more financial stability this year, and we know the rules of the game."

"We want to understand the leading edge of ideas with regard to ACOs, but be cautious in what we implement. We don't want to be the first to invest money in them."

"Most hospitals don't have the systems in place to get specific financials for oncology. The consequence of this deficiency is that expansions and/or positions become harder to justify. You need to capture specifics so you can prove the income your program is generating either directly or indirectly."

"There is a lot to figure out regarding measuring quality appropriately, but unfortunately not a lot of experts in the area."

"My three tips for measuring quality cancer care: Make certain your program is integrated into the Quality and Safety Program of your health system. Develop quality indicators with physicians' input. Do not keep the successes internal to the program. Share them."

"As the Affordable Care Act is implemented and the effects of sequestration are felt, there will be a tighter squeeze on our cancer program financially and increased concern among patients that their care will be impacted."

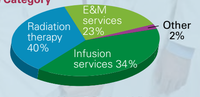
A Survey by the Association of Community Cancer Centers

2013 Trends in Community Cancer Centers

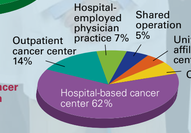
ACCC's annual survey provides key insight into nationwide developments in the business of cancer care. This tool allows ACCC-member programs to evaluate their own organization's performance relative to similar organizations through a consistent and meaningful benchmark. A joint project between ACCC and Eli Lilly, this report highlights Year 4 Survey results.

Ownership

Year 4 Patient Visits by Service Category



Type of Cancer Program



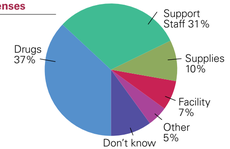
Year 3 Patient Visits by Service Category

Similar to the first three years of the survey, nearly all respondents (94%) describe their cancer program as non-profit. This year, there is a slight increase in cancer programs that only offer outpatient services (13% as compared to 10% in 2012.) Still, the vast majority of responding cancer programs (87%) offer both inpatient and outpatient services.

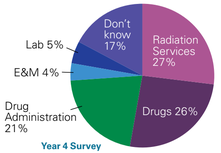
The mean number of new analytic cancer cases diagnosed annually was 1,279 for hospital-based cancer programs and 2,329 for university-affiliated cancer programs. Compared to the Year 3 Survey, respondents reported more patient visits for radiation services than for either infusion services or evaluation and management (E&M) services.

Drugs and Biologicals

Expenses



Gross Service Charges



Year 4 Survey

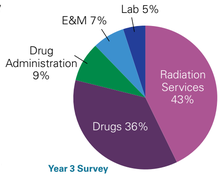
For 72% of programs, the drug budget resides in the pharmacy, compared to 21% in the oncology program budget. Most medication purchasing (88%) is conducted in the pharmacy department.

48% of programs report purchasing their drugs through multiple distributors, up slightly from the Year 3 Survey (42%) and down slightly from the Year 2 Survey (51%).

One in four programs accepts injectable drugs supplied by specialty pharmacies, down from one in three in the Year 3 Survey. (A sizable percentage of respondents, 20% in this year's survey, were not sure.)

Accepting injectables from specialty pharmacies presents challenges for cancer programs with regard to operations, reimbursement, patient safety, and institutional liability.

Participation in the 340B Drug Discount Program is holding steady. In the Year 4 Survey, 46% of programs participated in the 340B Program, the same as Year 3 and up from 36% (Year 2) and 26% (Year 1). All those currently participating in the 340B Program plan to continue their participation in the future.



Year 3 Survey

Drug Acquisition

Do you have a dedicated pharmacy in ambulatory outpatient oncology services?

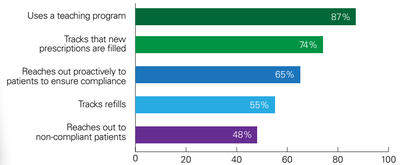
Do you restrict access to any injectables?

Does your program have a contract with a commercial payer that reimburses for dispensed oral cancer drugs?

Oral Agents

- Only one-third of infusion centers (30%) dispense oral cancer drugs, similar to the 31% in Year 3.
- While just 39% of programs have compliance programs in place, the percentage is higher than 24% in the Year 3 Survey.

To Ensure Compliance with Oral Agents Our Program...



Key Survey Findings

1 Demonstrate Quality
Quality is a metric most cancer programs want to measure; the goal remains challenging and resource intensive.

2 Providers as Financial Counselors?
Even insured patients struggle to pay high co-pays and deductibles, so providers must provide financial counseling in tandem with treatment.

3 Consolidate, Yes
Programs are increasing affiliations with community oncologists to drive referrals and boost the bottom line.

4 Reduce Costs Not Services
Programs are choosing to reduce travel and administrative costs—not cut services or eliminate staff incentives.

5 Concerns about ACOs!
The majority of programs watches and waits while others experiment with ACOs.

What We Did

In August 2012 an ACCC Steering Committee approved questions and scope of research for its annual survey of community hospital cancer programs. Year 4 of the survey was launched through an Internet-based data collection conducted between Nov. 27, 2012, and Jan. 13, 2013. Full survey results are available to members on ACCC's website, *www.accc-cancer.org*. The consulting firm of Oncology Reimbursement Management, Carmel, Ind., collected responses, conducted follow-up interviews in February 2013, and analyzed results.

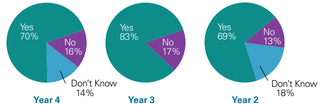
Steering Committee members include: Dorene J. Fankhauser, RN, MS, Mount Carmel Network Cancer Program; Brendan Fitzpatrick, MBA, Alamance Cancer Center; Thomas A. Gallo, MS, Virginia Cancer Institute, Inc.; Luana R. Lamkin, RN, MPH, Mountain States Tumor Institute; Becky L. DeKay, MBA, Feist-Weiller Cancer Center; and Virginia T. Vaitones, MSW, OSW-C, Pen Bay Medical Center.

The Economy is Affecting Patients...

Within a slow growth economic environment and higher than usual unemployment, respondents are still seeing an increase in patients needing financial assistance to help pay for their cancer treatment. At the same time, cancer programs report seeing more patients with no insurance or inadequate insurance.

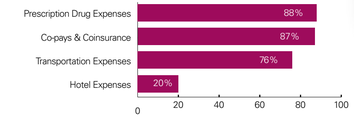
A high percentage of respondents (70%) state that they are seeing more patients referred from oncology practices to hospital-based cancer programs for expensive drugs that the patients are unable to pay for. Some community-based practices may be unwilling to take the risk of not being reimbursed for services, according to some administrator respondents.

More Patient Referrals Based on Inability to Pay for Drugs?



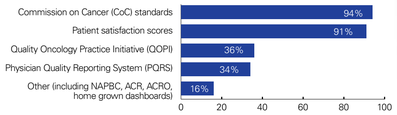
Most cancer programs (58%) offer financial counseling. Just 12% of respondents use commercial reimbursement specialists, suggesting a missed opportunity to ensure full payment for services.

Over the Past 12 Months Our Program Has Seen More Patients Needing Help With...



Defining Quality Care

Metrics Used to Measure & Track Quality Care



A fragmented healthcare system and inadequate connectivity of data systems mean that providers are looking at options such as nurse navigators and high-tech data collection to determine quality cancer care. Survival is no longer the sole element in determining quality of care.

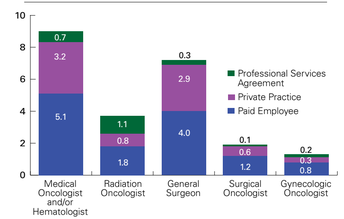
91% of programs said that they would be interested in being part of a peer network related to measuring the quality of cancer care delivery in hospitals for the purpose of sharing best practices.

Staffing

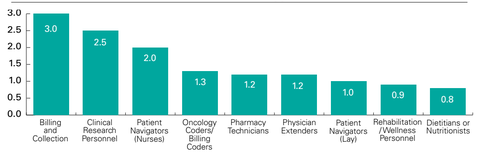
After drug costs (37%), the second highest expenditure in any outpatient cancer center is the cost of staff (31%). Nursing accounts for the most FTEs, followed by administrative staff, non-physician diagnostic radiology and radiation oncology technicians, and laboratory staff. Nursing accounts for 24% of the non-physician staff in responding cancer programs. The mean number of FTE nurses is 17.5.

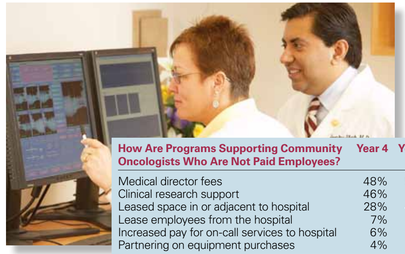
Many oncologists are opting for employment at hospitals as physicians in private practice seek financial stability. The mean number of FTE medical/hematologic oncologists in 2011 jumped to 5.1 compared to 2.9 in last year's survey, while the mean number of FTEs in professional service contracts fell from 1.4 last year to 0.7 in this year's survey. The mean number of FTE radiation oncologists jumped to 1.8 in this year's survey from 0.9 in last year's survey.

Mean Number of FTE Providers



Mean Number of FTE Support Staff





How Are Programs Supporting Community Oncologists Who Are Not Paid Employees?

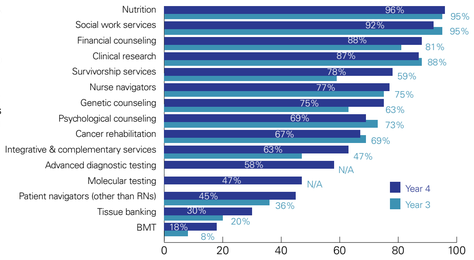
	Year 4	Year 3
Medical director fees	48%	55%
Clinical research support	46%	51%
Leased space in or adjacent to hospital	28%	45%
Lease employees from the hospital	7%	6%
Increased pay for on-call services to hospital	6%	6%
Partnering on equipment purchases	4%	4%

Oncology-Related Services

- When asked if their oncology program has merged, affiliated with, or acquired another cancer program, 19% reported consolidation through affiliation, 10% through acquisition, and 5% through merger in the past year.
- When asked if respondents have seen consolidation of cancer programs in their primary market area over the last year, 30% answered yes; 42% have seen consolidation of physician practices in their primary market area.
- When asked if they anticipate consolidation in their primary market area in the next one or two years, 40% expect consolidation of cancer programs and 46% expect consolidation of physician offices.

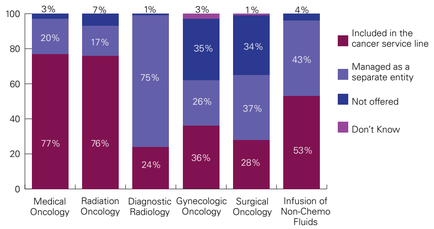
In the Year 4 Survey, more programs report offering financial counseling, survivorship services, genetic counseling, integrative and complementary services, tissue banking, and BMT. Non-nurse navigators and survivorship services saw a jump this year. This may be in response to new CoC standards that go into effect in 2015. Close to half of programs offer advanced diagnostic testing and molecular testing.

Cancer Programs and Services Offered



Lines between care settings continue to blur. Patients are seeing medical oncologists in private practices "affiliated" with but "separate" from the hospital. If the medical or radiation oncology practice is a separate legal entity, then services may not fall under the umbrella of the hospital's cancer service line. We know that physician and hospital relationships are changing quickly, and that a wide range of physician services agreements are in effect.

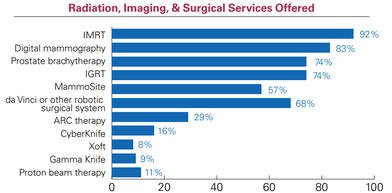
Scope of Oncology Services



Capital Equipment & Technology

Purchasing additional capital equipment and technology is a sign of a healthy business. The Year 4 Survey shows that cancer programs are, on average, anticipating increased capital equipment purchases in the next fiscal year. For example, the mean number of linear accelerators is 1.9 within reporting institutions. The mean number budgeted for purchase in 2013 is 0.2, an increase of more than 10%. In the Year 4 survey, da Vinci and other robotic surgical systems jumped to 68% of programs offering the services, up from 56% last year.

Radiation, Imaging, & Surgical Services Offered



Electronic Health Records

The use of EHRs is increasing, but is still not universal in community cancer programs. In the Year 4 Survey, 79% of respondents report use of EHRs, which is similar to 78% in Year 3. Nearly two-thirds of programs report having two or more EHR software systems in place. In the Year 4 Survey, 23% of programs report they are in the process of implementing an EHR system. Four of every five programs that are in the process of implementing a system are either replacing or adding to an existing system.

Staffing Acuity Systems

Although acuity-based systems can decrease turnaround times, improve patient flow, and make a difference in operations, use of these systems remains low at 33% of respondents.

Tweet This

One in three cancer programs are on Facebook; one in three on both YouTube and Twitter. More than half (57%) report success in social media, and 80% plan to continue to use social media in the next one to two years.