

Addressing High-Cost Claims

Panel Session Two: Oncology Challenges and Solutions



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Panel moderated by
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The Impact of High-Cost Claims

CHRIS SYVERSON

NEVADA BUSINESS GROUP
ON HEALTH

MODERATOR



Cancer – a top concern for employers

- Last year, the Business Group on Health's Healthcare Strategy and Plan Design Survey found **cancer had become the top driver of employer healthcare costs**
- **Increasing utilization and unit cost of specialty pharmacy drugs**
- More cases of **cancer at a later stage**
- More awareness about **variation in patient outcomes and quality of care**
- More understanding of the value of **adherence to evidence-based care**
- More feedback on the **challenging patient experience – clinically and financially**



Early Identification - Employer Strategy



FL Alliance Employer Member Rosen Hotels and Resorts

- “Traditional” strategies such as awareness campaigns to urge their associates to get screened and to be aware of signs and symptoms of cancer
- Onboarding of a new associate includes all appropriate screenings at their medical center
- Mobile mammography at all resort locations
- Mobile dermatology at all resort locations
- First to market with Cologuard – 70% return with 9-10% positive colorectal cancer
- Implementing strategy for the remaining 30% - liquid biopsy for colorectal cancer
- Also researching multi-cancer early detection blood test for those cancers that do not have screening tests





Addressing High-Cost Oncology Claims with Multi-Cancer Early Detection Screening

Daryl Gottlieb, Director of ASO & Employer Partnerships, GRAIL, LLC

4/19/2023



Cancer has more than just a physical effect – it also hurts each key area of employee health

Physical Health

~70%

of cancer deaths are from cancers employees are not being screened for.¹

Mental Health

#1

Cancer is the #1 ranked medical fear for Americans.²

Financial Health

~3X

Late stage cancer can cost ~3x more than early stage cancer, hurting both employees and employers.³

Health Equity

Data clearly shows that cancer makes existing racial/ethnic, geographic, and socioeconomic disparities even worse.⁴

1 Assumes screening is available for all prostate, breast, cervical, and colorectal cancer cases and 43% of lung cancer cases (based on estimated proportion of lung cancers that occur in screen-eligible individuals older than 40 years). Source: Estimated deaths per year in 2022 from American Cancer Society Cancer Facts and Figures 2022. Available at: <http://www.cancer.org/content/dam/cancer-org/research/cancer-facts-and-statistics/annual-cancer-facts-and-figures/2022/cancer-facts-and-figures-2022.pdf>. Data on file GA-2021-0065
2 MedicareAdvantage.com. [What Medical Condition Are You Most Afraid Of?](#). Published May 5, 2021. 3 Reddy SR, Curr Med Res Opin. 2022;38(8):1285-1294. doi: 10.1080/03007995.2022.2047536. 4 American Cancer Society. Cancer Facts & Figures 2022. <https://www.cancer.org/latest-news/facts-and-figures-2022.html>

Employees face a health challenge: there are only recommended screenings for ~30% of cancers



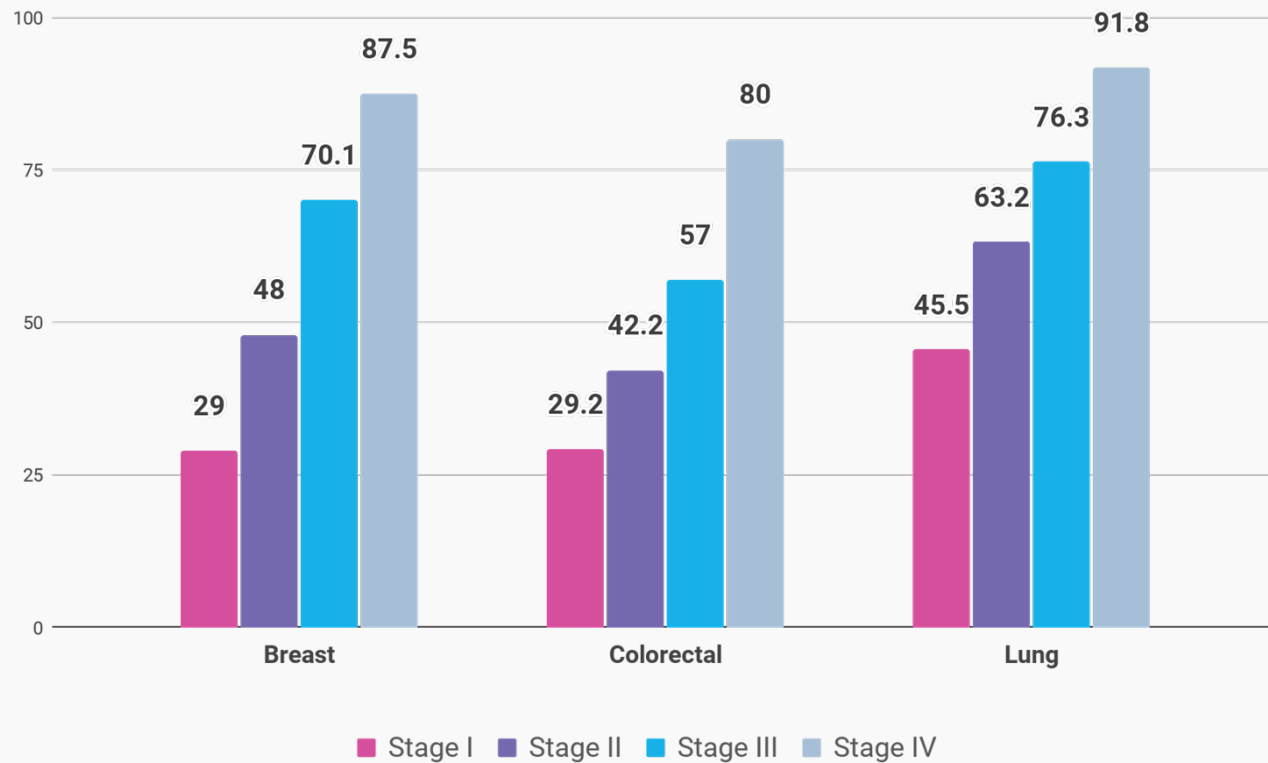
Cancers with screenings

Cancers without screenings

Breast - Cervical - Colorectal - Lung (smokers at risk) - Prostate

There are significant treatment costs associated with late stage cancer

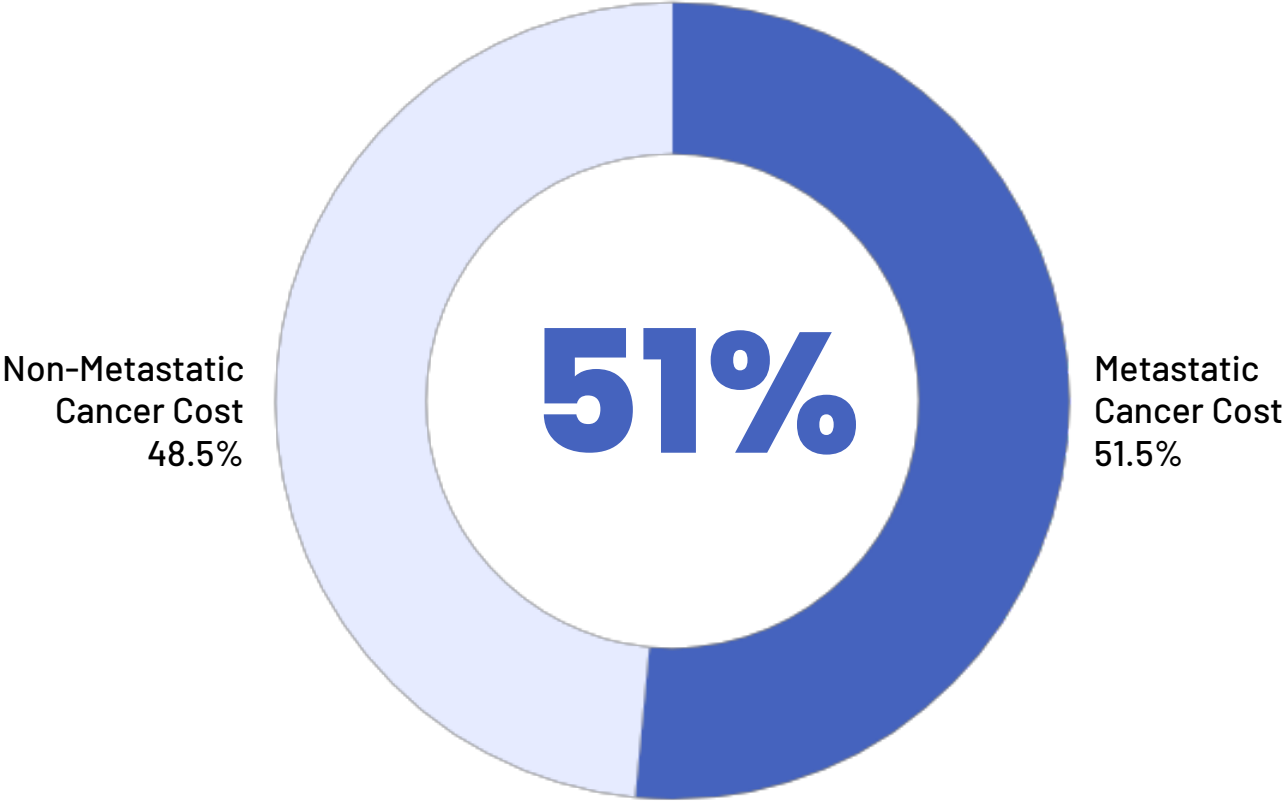
Cost of Medical Care by Cancer and Stage (Banegas 2018)



**2X
more**

Treatment of
late stage cancer
can cost 2 times more than
early stage cancer

Claims associated with treatment for metastatic cancer account for more than half of employers' cancer costs¹



Treatment for metastatic cancer costs an average of **\$135,799** per employee, per year¹

...Which can be **2.7X** higher than treatment for stage 1 cancers²

Cancers without recommended screenings account for more than 4X the number of \$100K+ claims¹

17%

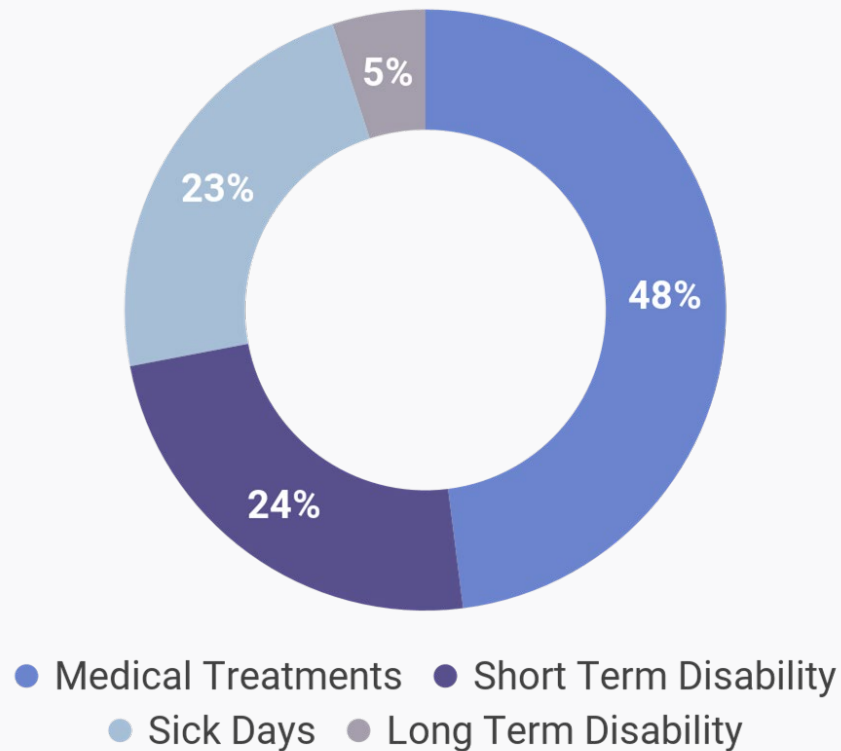
Of all claims above \$100K are caused by treatment for screenable cancers, including breast, colon and cervical

VS

83%

Of all claims above \$100K are caused by treatment for cancers **without recommended screening**

With respect to indirect cancer-related costs, early detection can make a difference



Cancer diagnoses at earlier stages lead to:

- Fewer disability claims
- Less frequent early departures from the workforce¹

Cancer patients are more likely to return to work if:

- employers are perceived as accommodating
- disease is less severe and causes fewer life-altering effects²

Missed work days and indirect costs are ~2X higher for employees with metastatic cancer vs early-stage cancer¹

Metastatic

110 Days

\$27,494

vs

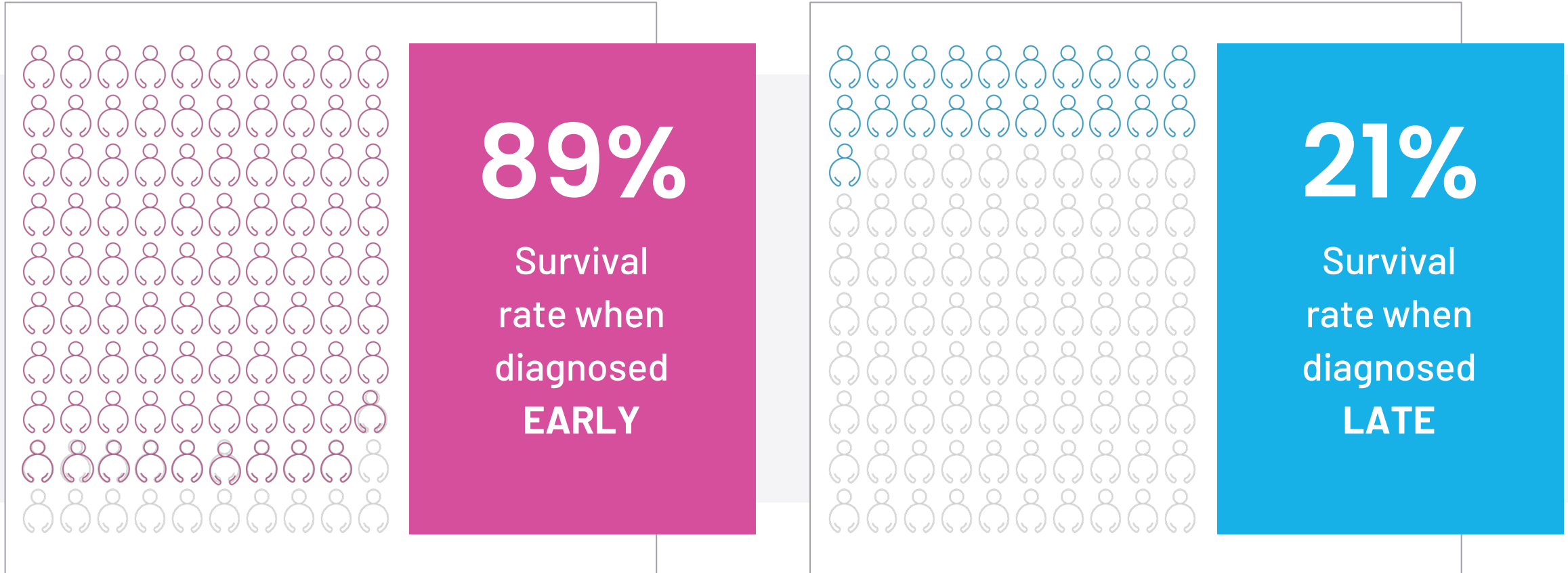
Non-Metastatic

57 Days

\$13,740

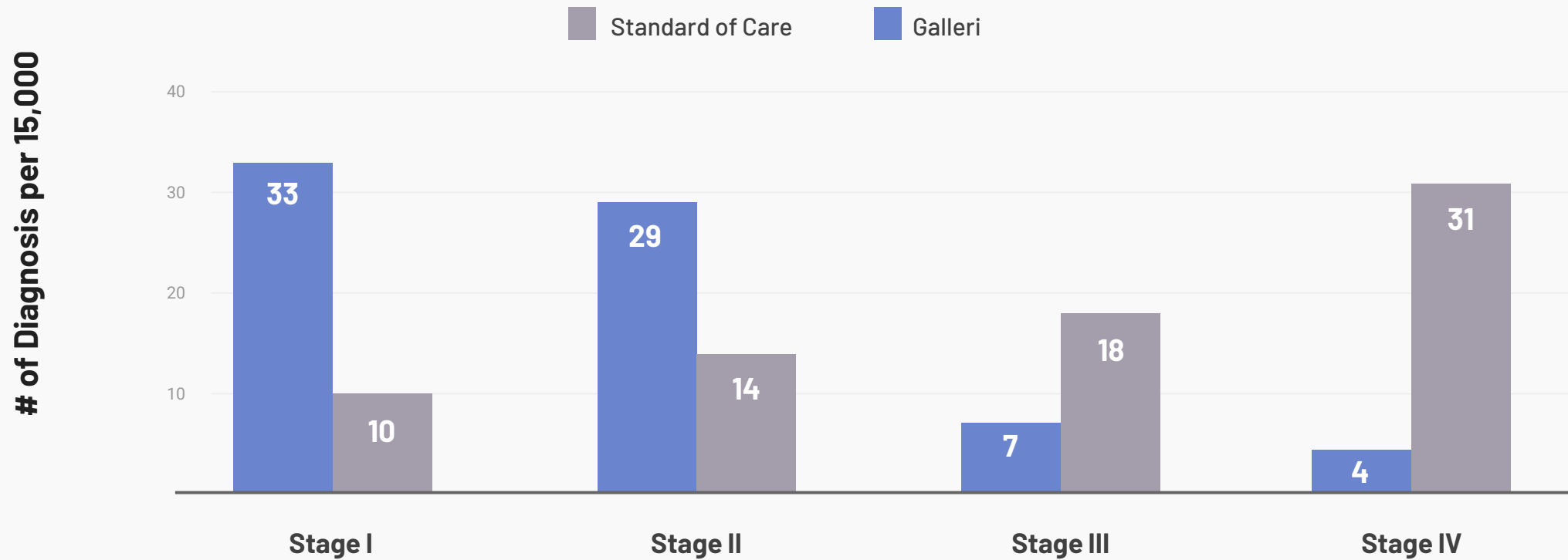
1: All data from The Impact of Early- or Late-Stage Cancer Diagnosis on Patient Employment, Productivity, and Associated Indirect Costs. Ze Cong, Oth Tran, James Nelson, Monica Silver, Karen Chung, 2022. Total costs were estimated by summing costs due to work absence, short-term disability, and long-term disability. Full cost to employer was derived based on the national average wage rate with a multiplier of 1.28, per Nicholson S, et al. Appl Health Econ Health Policy. 2005; 4: 209-18

Detecting cancer early can dramatically improve cancer survival



Based on 5-year cancer-specific survival rates. Source: Surveillance, Epidemiology, and End Results (SEER) Program (www.seer.cancer.gov)
SEER*Stat Database: Incidence - SEER 18 Regs Research Data, Nov 2018 Sub. Includes persons aged 50-79 diagnosed 2006-2015
"Early/Localized" includes invasive localized tumors that have not spread beyond organ of origin, "Late/Metastasized" includes invasive cancers that have metastasized beyond the organ of origin to other parts of the body.

MCED screening has the potential to shift cancer detection to earlier stages¹



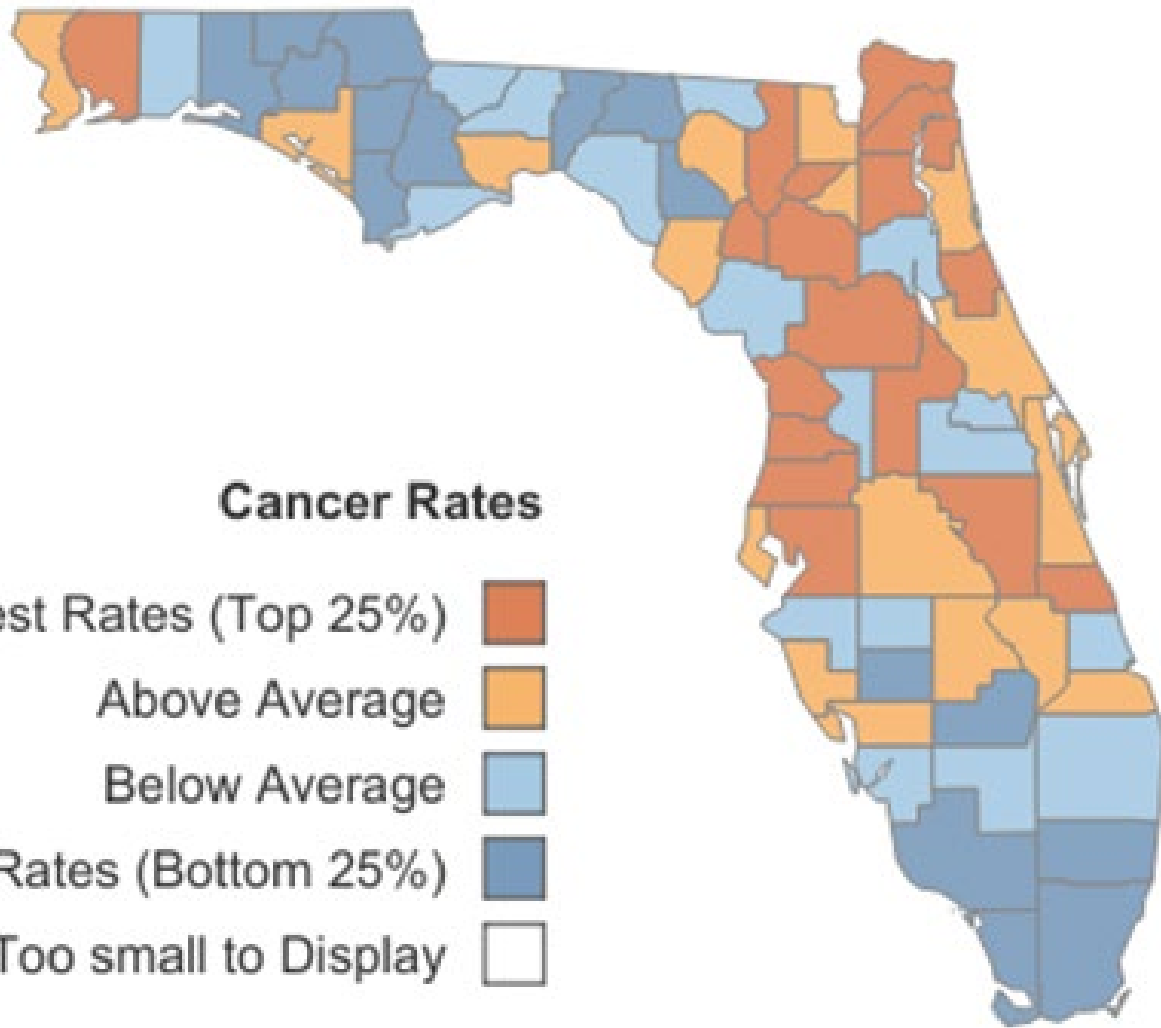
Personalized Cancer Care Management: The Right Solution at the Right Time

Lea Ann Biafora, MS, RN, OCN, CCM, ONN-CG, CPHQ
CEO/Founder

Beacon Advocates is a nationwide nurse-led cancer care management company assisting businesses and individuals navigate the complexities of cancer care within a dynamic healthcare marketplace.



CANCER IN FLORIDA: 2016 - 2020



Number of cases

Average # of cases per year from 2016-2020

129,530

Statewide

Rate

cases per 100k people from 2016-2020

441.8

Statewide

Stage at Diagnosis

Cancer is easiest to treat when caught **early**

HIGH CLAIMANTS



40.8%
Early Stage

46.3%
Late Stage

12.9%
Unknown

Statewide

Cancer Care Delivery Challenges

Cancer Care has progressively become more complex

- ❖ Expanded diagnostic testing & treatments with pricing & reimbursement challenges
- ❖ Variation in oncology care across settings & programs
- ❖ Community oncologists are often generalists; new data often requires interpretation
- ❖ Workforce shortages
- ❖ Heightened administrative burden driven by payment mechanisms
- ❖ Reimbursement challenges with increased billing errors



The Problem



**NAVIGATING CANCER
IS OVERWHELMING**

DAUNTING AND DIFFICULT

+



**FRAGMENTED, SILOED
HEALTHCARE SYSTEM**

*INEFFICIENCIES DRIVE TREATMENT
DELAYS & MISDIAGNOSES*

=



**UNSUSTAINABLE RISING
CANCER-RELATED COSTS**

*NO EFFECTIVE end-to-end
MANAGED CARE SOLUTION TO
CONTAIN COSTS*

*10 ~ 15% OF AN EMPLOYER'S TOTAL
ANNUAL SPEND*

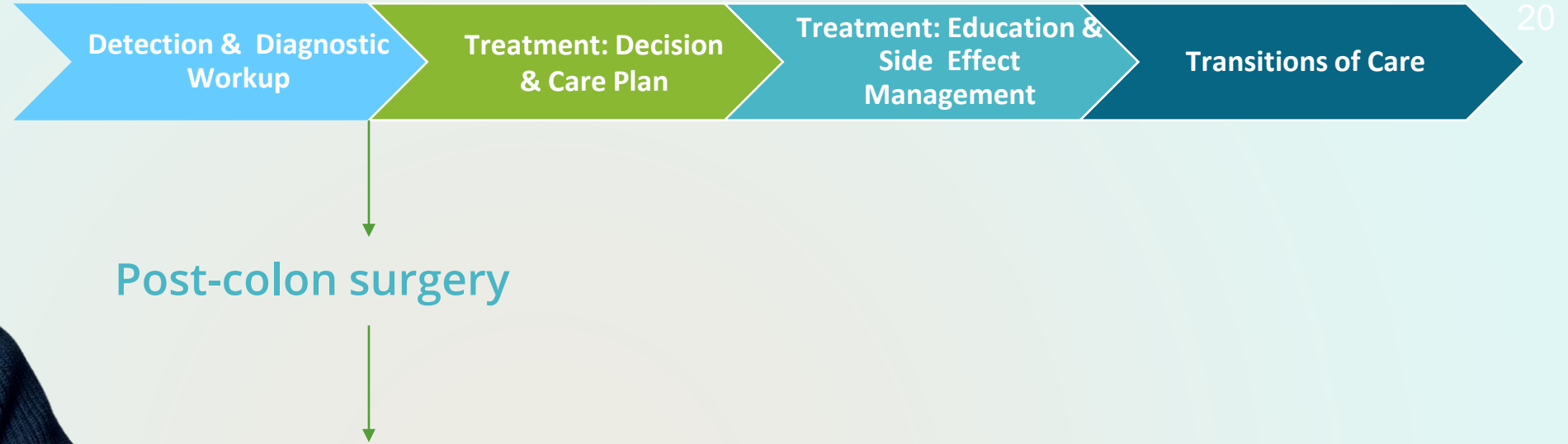


Misdiagnoses, duplications, and poor communication increase medical costs up to 10x

A few reality-based facts:

- ❖ 1 In 3 cancer patients enter Bankruptcy
- ❖ ~ 38% of patients are initially misdiagnosed
- ❖ ~ 74% of patients don't seek second opinions
- ❖ < 5% enroll in clinical trials
- ❖ Most \$\$ spent in last two weeks of life

Meet AL



55-year-old married man and a father of two works at as a maintenance worker for the city. Despite multiple comorbidities such as hypertension and diabetes, had never had an age-appropriate screening colonoscopy.

Presented to the local community emergency department after passing out at work. Upon physical exam, he shared that he had noticed bleeding in his stool with abdominal cramping for approximately three months. Multiple diagnostic imaging tests revealed colorectal mass and operated on that day.

While inpatient, the patient was told of his diagnosis & stage IV cancer by the staff oncologist who added he should go home and to get his affairs in order. He called his HR manager, who in turn reached out to Beacon Advocates.

Case Study - Colon Cancer

The Right Care at the Right Time

Scalable High-Touch Cancer Care Guidance

HIPAA CLOUD-BASED
PLATFORM



CLINICAL 'INSIDER'
EXPERTISE



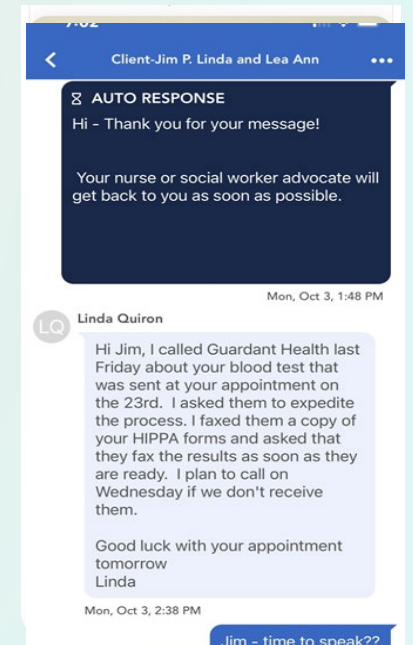
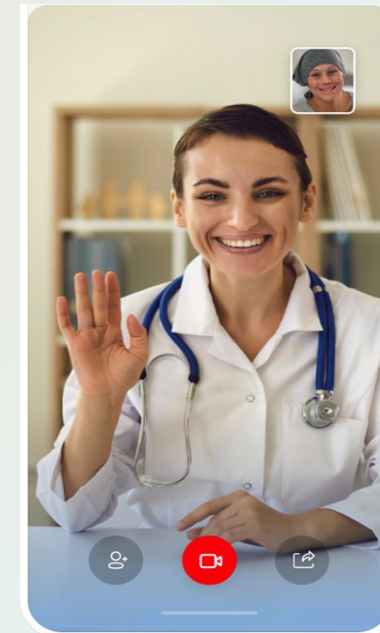
2. Please check the causes of your distress
Check all that apply

Emotional Problems

- Depression
- Fears
- Nervousness
- Sadness
- Worry
- Loss of interest in usual activities

Practical Problems

- Child Care
- Housing
- Insurance



Integrate comprehensive national standards of care, along with clinical trials.
Responsive technology to remote patient monitoring
allows for frictionless care oversight.

Results-oriented independent
certified oncology professionals

Customizable Cancer Care Guidance Programming

Data-driven insights to identify high risk populations: focus on education, risk assessments & proactive outreach

Navigating the care experience, reducing barriers, side-effect management, collaboration with medical team

An End-to-End Solution

Early Detection & Diagnostic Workup

Treatment: Decision & Care Plan

Treatment: Education & Side-effect Management

Transitions of Care

- Earlier engagement, reduce access issues, expedite care
- Facilitate expert second opinions – virtually & locally;
- Aim for right diagnostic testing, staging, & treatment planning;
- Promotion of shared decision-making

- Tools & access to resources/support:
- living with cancer,
 - return to work strategies
 - surveillance/survivorship
 - end of life care coordination

Benefit to Employers



Benefit to Employees

Specialized care coordination removing downstream costs

- Expedited right care at the right time
- Right Place
- Right benefit utilization
- Fewer ER visits
- Duplicate/unnecessary tests
- Improved productivity
- Appropriate use of short-and long-term disability
- Earlier & appropriate transition off plan
- Less costly end of life care
- Increased clinical trial utilization

Results in an empowered employee who has better cancer experience with better cancer care outcomes.

- Expedited access to the right care at the right time
- Earlier scientific-based treatment
- 2nd (opinions) case review
- Increased access clinical trials
- Appropriate cont. to work strategies & appropriately timed transitions back to work or off Plan
- Earlier end of life planning

Help remove barriers to care

- Psychological
- Social
- Financial

AL



Barriers	Interventions	Outcomes
<p>Errors</p> <ul style="list-style-type: none"> ○ Appt w/ oncologist = 8 week (delayed care) ○ Incorrectly staged- Stage III not Stage IV ○ Multiple comorbidities; multiple specialists ○ Billing error identified <p>Insurance limitations</p> <ul style="list-style-type: none"> ○ High out of pocket \$ ○ No short or long-term disability 	<p>Clinical Clarity</p> <ul style="list-style-type: none"> ○ Identified potential error in staging; recommended two MD 2nd opinions; incorrect staging confirmed ○ Educated and prepared ○ Clinical trials researched <p>Coordinated care</p> <ul style="list-style-type: none"> ○ Corrected wrong specialist and changed appointment to 1 week <p>Managed life while living with cancer</p> <ul style="list-style-type: none"> ○ Supported throughout treatment: emotional & side effects ○ Identified potential financial resources (SSDI, nat'l organizations) 	<p>Right care at the right time - Informed decisions</p> <ul style="list-style-type: none"> ○ Corrected wrong specialist and changed appointment from 8 weeks to 1 week ○ Incorrect staging confirmed <p>Managed life while living with cancer</p> <ul style="list-style-type: none"> ○ Financial resources through non-profits; secured = \$10K ○ \$23,000 billing error corrected ○ 2-ED visits avoided = \$4,000 ○ Returned to work FT after 6 months

**Thank you.
Let's stay in touch.**

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**The current approach to cancer care
isn't working for employers
or employees.**

WHY NOT DO BETTER?

THE SOCIALLY-CONSCIOUS PARADOX:



Employers are committed to being socially conscious, but wouldn't it be great to start at home with our own families?

What's keeping us from doing that?

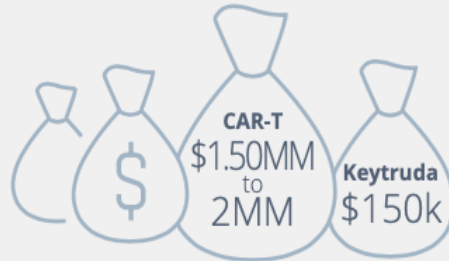
EMPLOYERS #1 CLAIM DILEMMA

Employers are facing unsustainable cost increases

Advancements in cancer care...

- Immunotherapy
- Keytruda
- CAR T
- CRISPR
- Robotic Surgery

come at an enormous price...



which is passed to employers and employees

- Cancer claims can disrupt renewals
- Double digit rate increases
- “Lasers” for individual employees

PATIENT IMPACT

Employee's Cost Burden Creates "Financial Toxicity"



Clinical Toxicity:

- **Adverse physical effects** from treatment

Financial Toxicity:

- **Adverse effects** from financial stress and worry
- **50%** of people with cancer are **afraid to tell their employers**



High costs...

Average Out-of-pocket:

- Individual \$9,100
- Family \$18,200
- 40% of employees can't afford a \$400 unexpected expense



Create Financial Toxicity:

- Stress hinders recovery, increases chance of recurrence
- Employees avoid care due to guilt of financial ruin
- Bankruptcy from medical debt is common

WHY HASN'T THIS BEEN SOLVED?



Employers can't fix it

- No data
- Perceived complexity
- Cost/Employee engagement trade-off
- "It's always been this way"



The system doesn't want to fix it

- Enormous profits
- Misaligned incentives
- Health systems have a vested interest in where care is delivered
- Fiduciary responsibility to the network, not to patient or employer

Everyone says they are "Patient-First."
Are they really?

WHAT DOES PATIENT FIRST ACTUALLY MEAN?

WHAT PATIENT-FIRST ACTUALLY IS

Employee
Empowerment



Focus on
Healing



Healthy Employees
Free From Financial
Toxicity

Being a smart user of benefits

Summary:

Prevention

Detection

Management

Take control of the future