



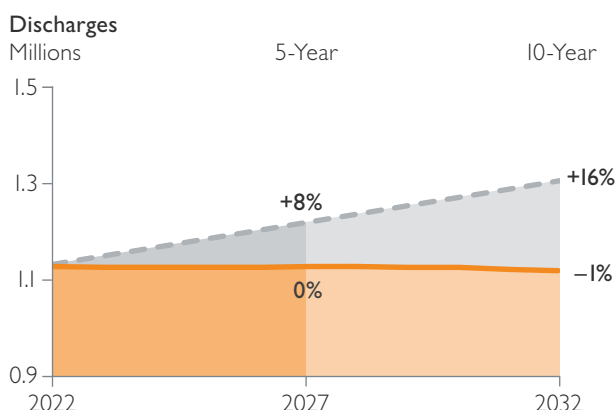
Snapshot 2022

CANCER

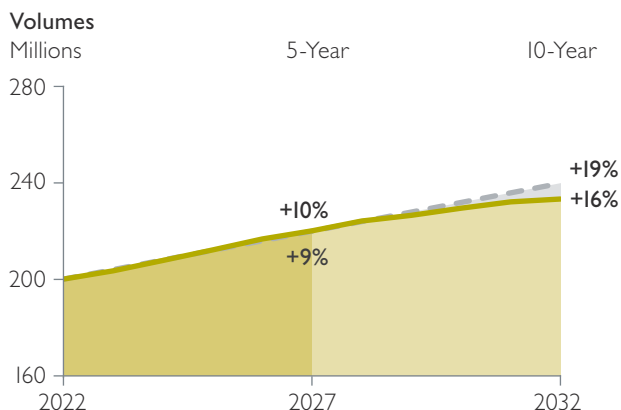
LANDSCAPE

Today's cancer programs face increasing competition and complexities in their local markets as well as on a national level. Fast-paced evolution of treatments and technologies, heightened revenue pressures, an increasingly savvy consumer base and the ongoing ramifications of COVID-19 are just some of the dynamics currently at play. Meanwhile, magnified emphasis on value-based care is raising awareness of relative market position on cost and quality, forcing cancer programs to curb practice variation in the face of new payment models. Amid this tumultuous landscape, demand for cancer services continues, primarily in the outpatient setting. As cancer leaders look to keep pace, optimizing every decision point along the cancer care continuum will be crucial to maintain market share and facilitate future growth.

Inpatient Cancer Forecast, US Market, 2022–2032



Outpatient Cancer Forecast, US Market, 2022–2032



■ Sg2 IP Forecast ■ Population-Based Forecast ■ Sg2 OP Forecast

TOP TRENDS

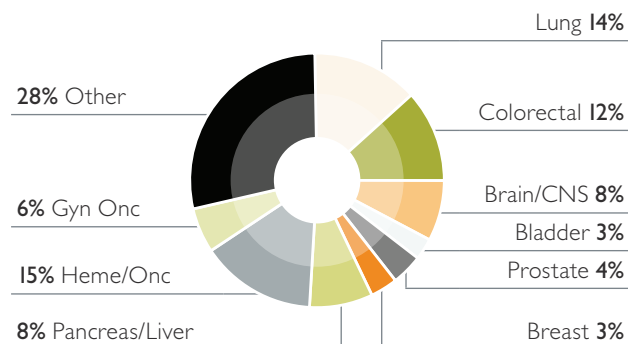
- Value-based payment models aimed at reducing cost and care variation continue to challenge the payer landscape as CMS looks to roll out its Radiation Oncology Model and the Enhancing Oncology Model in 2023. These models will challenge traditional care pathways, add greater attention to diversity and test growth strategies.
- New screening recommendations, along with the increased significance of tumor-specific molecular and genomic testing, are driving programs to expand and solidify screening and diagnostic services while also highlighting cancer health disparities.
- Exacerbated by the high cost of treatment and drugs, where and how patients receive care and treatment (eg, infusion centers, home) is increasingly steered by payers, often resulting in restrictive treatment and service options.
- Emerging clinical therapeutics and technologies (eg, neo- and adjuvant) and expanding drug indications, including innovative cellular therapies and targeted checkpoint inhibitors, are increasingly prevalent.
- Channel strategies are challenged by private equity-backed networks, requiring health systems to prioritize physician alignment (to mitigate patient leakage) and invest in discrete clinical and operational capabilities.
- Workforce constraints, along with fewer new physicians entering certain markets and an acceleration of retirements among oncologists, are leading to decelerated program growth, affecting patient care, especially in rural settings.

Note: Analysis excludes 0–17 age group. **Sources:** Impact of Change®, 2022; HCUP National Inpatient Sample (NIS). Healthcare Cost and Utilization Project (HCUP) 2019. Agency for Healthcare Research and Quality, Rockville, MD; Proprietary Sg2 All-Payer Claims Data Set, 2019; The following 2019 CMS Limited Data Sets (LDS): Carrier, Denominator, Home Health Agency, Hospice, Outpatient, Skilled Nursing Facility; Claritas Pop-Facts®, 2022; Sg2 Analysis, 2022.

CANCER SNAPSHOT 2022

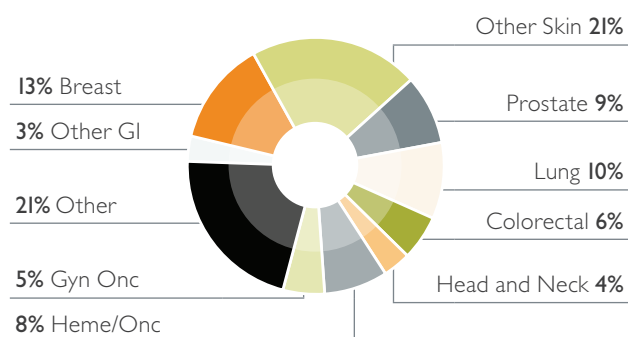
Inpatient Cancer Discharges, US Market, 2022

Total Volume: 1.2M

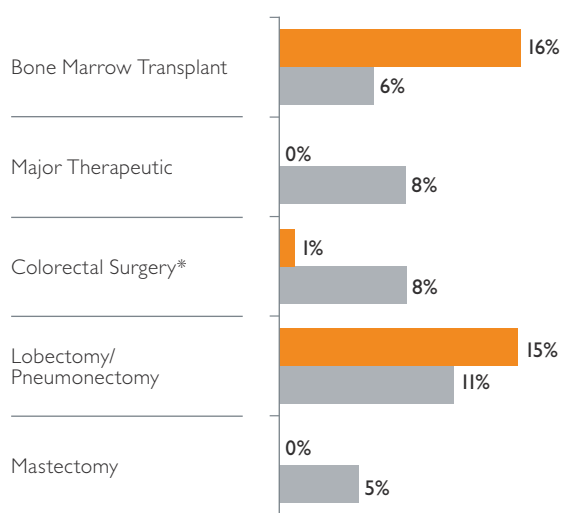


Outpatient Cancer Volumes, US Market, 2022

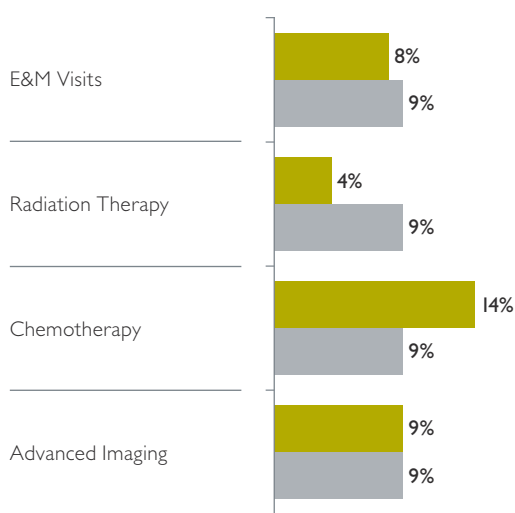
Total Volume: 200M



Inpatient Procedures Forecast, US Market, 2022–2027



Outpatient Procedures Forecast, US Market, 2022–2027



■ Sg2 IP Forecast ■ Population-Based Forecast ■ Sg2 OP Forecast

ACTION STEPS TO DRIVE VALUE

- ▶ Solidify an oncology patient-centered strategy by creating a well-coordinated offering across the care continuum. Deploy an array of highly integrated staff (eg, disease-specific navigators, pharmacists, APs), services (eg, supportive care, pharmacy) and ancillary support (eg, financial counseling, education).
- ▶ Evaluate clinical expertise, identifying opportunities to deepen subspecialization services that leverage innovative therapeutics and treatment approaches (eg, targeted IO/ICI, interventional oncology) as well as advanced technologies (eg, molecular and genomic radiation therapy).
- ▶ Amplify care equity to offer convenient screening and testing and access to emerging treatment options (eg, clinical trials).
- ▶ Explore nontraditional or new oncology treatment methods (eg, care at home, home chemotherapy) to extend consumer-friendly service offerings, and collaborate with payers to mitigate financial and safety risks.
- ▶ Design short- and long-term recruitment strategies, including specialized cancer education programs for float pool staff, physician mentorship onboarding, competitive compensation and work-life balance incentives.

*Colorectal surgery includes large bowel resection procedure. **Note:** Analysis excludes 0–17 age group. Tumors are grouped by Sg2 CARE Family: Heme/Onc includes leukemia, non-Hodgkin lymphoma, multiple myeloma and Hodgkin lymphoma; Gyn Onc includes cervical and other female genital cancers, including precancer, uterine and ovarian cancers. Other Skin includes nonmelanoma skin cancer. Percentages may not add to 100% due to rounding. AP = advanced practitioner; CARE = Clinical Alignment and Resource Effectiveness; CNS = central nervous system; E&M = evaluation and management; GI = gastrointestinal; gyn onc = gynecologic oncology; heme/onc = hematology/oncology; IO/ICI = immunotherapy/immune checkpoint inhibitor. **Sources:** Impact of Change®, 2022; HCUP National Inpatient Sample (NIS). Healthcare Cost and Utilization Project (HCUP) 2019. Agency for Healthcare Research and Quality, Rockville, MD; Proprietary Sg2 All-Payer Claims Data Set, 2019; The following 2019 CMS Limited Data Sets (LDS): Carrier, Denominator, Home Health Agency, Hospice, Outpatient, Skilled Nursing Facility; Claritas Pop-Facts®, 2022; Sg2 Analysis, 2022.