

# Payment Bundles for Prostatectomy: A New Way to Improve Value for Prostate Cancer Care



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#### Introduction

- Annual US healthcare costs exceed \$4 trillion, with prostate cancer contributing \$22 billion, (~\$45,000 for prostatectomy)
- Value-based care emphasizes outcomes and efficiency; CMS aims to enroll most beneficiaries by 2030
- Bundles like Medicare's Comprehensive Care for Joint Replacement (CJR) align financial incentives with quality; challenges include patient variability and post-acute care issues
- CMS's new Transforming Episode Accountability Model (TEAM) excludes urologic surgeries; prostatectomy-specific bundles could fill this gap

## How Has Value-Based Care (VBC) Evolved?

- Fee-for-service (FFS) incentivizes volume over efficiency, while VBC focuses on care coordination, preventing complications, and whole-person health
- MACRA introduced alternative payment models like ACOs, bundles, and MIPS
  - Its impact on prostate cancer care was limited, with stable overtreatment rates and minimal cost reductions
  - Urologists favored MIPS, which closely resembles FFS, but misaligned metrics and lack of prostate cancer-specific bundles hinder meaningful progress in VBC.

### What are Bundled Payment Models and TEAM?

- Surgical bundles, such as Vanderbilt's kidney stone care model, include procedures, follow-up, and complication management
- TEAM expands this by coordinating preoperative care, hospital stay optimization, transitions to post-acute care, and regular follow-up
  - postoperative management
- Innovative TEAM components include climate change incentives and risk adjustments for safetynet hospitals to address inequity
- Future VBC models may integrate social services to improve access for underserved populations

## Why Prostatectomy-Specific Bundles?

- LUGPA's prostate cancer active surveillance bundle covers 1y of care, including labs and biopsies, hoping to encourage monitoring and reduce overtreatment
  - Initially rejected by CMS, but with TEAM, there is growing interest in surgery-specific bundles
- Questions remain about PCP readiness for
  Prostatectomy bundle could optimize surgical decision-making, reduce complications, and enhance postoperative care
  - VBC models are challenging to scale and could create financial disparities for practices handling complex cases, highlighting the need for diseasespecific payment adjustments and quality metrics

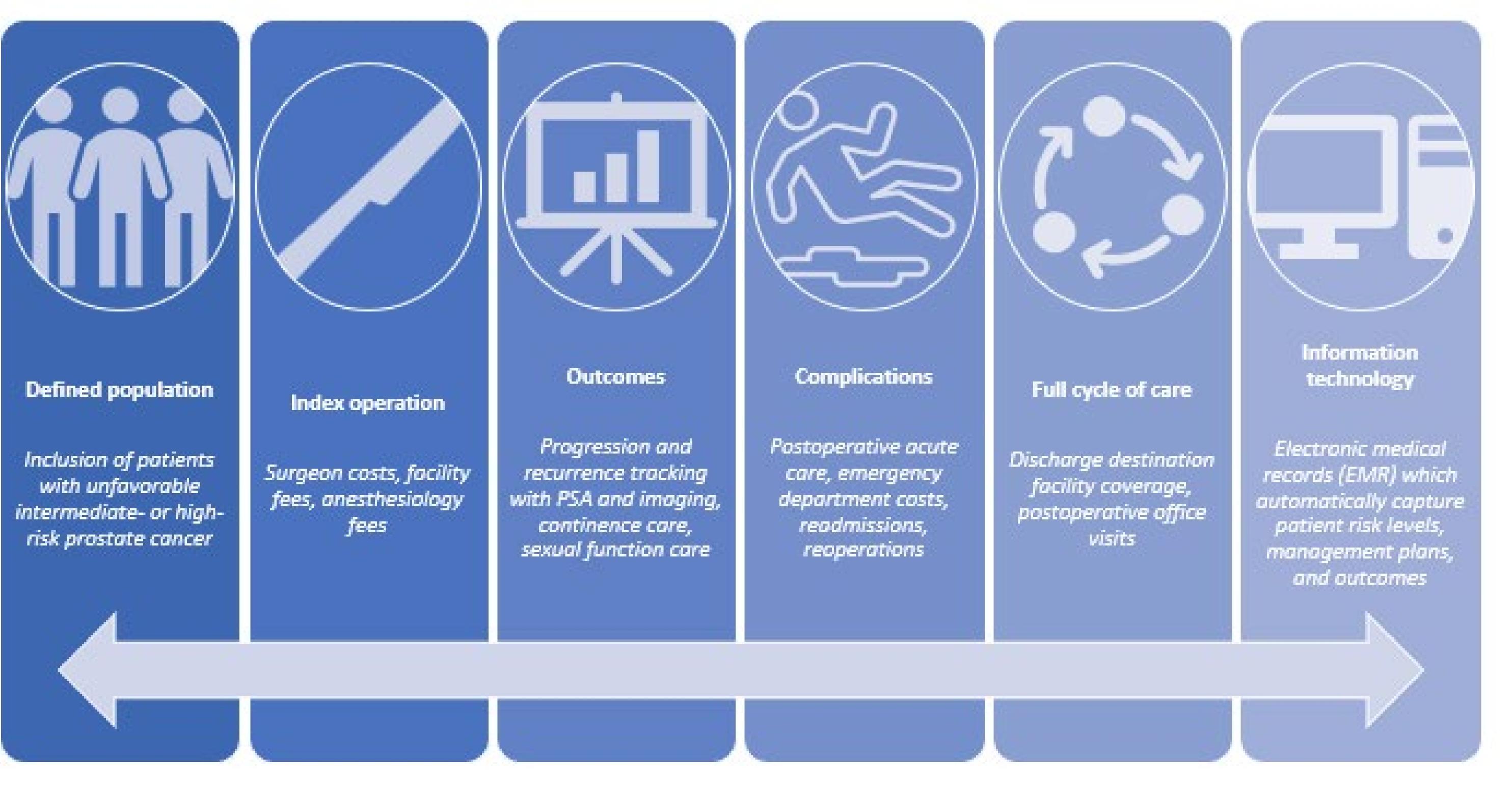


Figure 1. Proposed bundle for prostatectomy addressing the pillars of bundled payment models