Securing the Future of Pathology

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CAP President-Elect
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Omaha, Nebraska
Laboratory at Methodist Hospital
Methodist Pathology Center

Founded in 1945, the Methodist Pathology Center provides clinical and anatomic pathology services to medical facilities, physicians and other health care providers throughout Nebraska, Iowa and Missouri.

Located in Omaha, Nebraska, Methodist Pathology Center is accredited by the College of American Pathologists (CAP), The American Association of Blood Banks (AABB) and licensed by Centers for Medicare and Medicaid Services under CLIA.

We are committed to providing medical professionals comprehensive, cost-efficient and convenient laboratory services. Our Pathology Center specialists work with physicians and other health care practitioners in the diagnosis, treatment and
Today’s objectives

• Describe the rising health care costs and evolving market force changes that will have global implications for the future of pathology

• Share how the CAP plans to support you through its Transformation initiative and Promising Practice Pathways™

• Provide an update on the College’s advocacy efforts.
Change drivers

- Demographics
- Economics
- Care models
- Emerging technologies
Pathologist demographics retirement cliff approaching

Net Changes to Pathology Workforce

<table>
<thead>
<tr>
<th>Pathologists</th>
<th>2010</th>
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<th>2019E</th>
<th>2024E</th>
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The “retirement surge” has direct implications for lab medicine

- Pathologist shortages
- Skyrocketing laboratory test volume
  - $< 65 \text{ years} =$ two lab tests annually
  - $> 65 \text{ years} =$ nine lab tests annually (Medicare eligible)

Do the math: 80 million x 9 tests!
Residents are vital to the future

- CAP Residents Forum
cap.org/residents
  - Preparation for the future
  - Networking opportunities
  - Junior membership free

- Medical Students
  - Pathology as a career
Changing care models

In-Office Histology & Pathology

Accountable Care Organizations
# Changing care models

## National Pathology Laboratories

## Capitated Inpatient Reimbursement

## HMO Lab Carve-Outs

## In-Office Histology & Pathology

## Accountable Care Organizations

### Benefits of Accountable Care
- **FINANCIAL**
  - Higher Patient Margins
  - Increased Reimbursement
  - Payor-Insurer Alignment
  - Enhanced Financial Alignment

- **CLINICAL CARE**
  - Higher Quality of Care
  - Clinical Care Systems
  - Patient-Centered Delivery
  - Practice Quality Reporting

- **PATIENT EXPERIENCE**
  - Improved Outcomes
  - Higher Patient Satisfaction
  - Positive Patient Experience

- **COMPETITIVE**
  - Strong Market Presence
  - Strong Payor-Bargaining
  - Seamless Physician Alignment
  - Ready for Health System Population
Emerging technology

- Genomics and Personalized Medicine
- Informatics
- Digital imaging
- In-vivo microscopy
## Technology is an accelerator

### Molecular/Genomics
- Enables more detailed diagnosis
- Could be expanded to disease prevention, treatment, and monitoring
- Single-gene tests/panel tests in use; but no clear leader in clinical application

### Pathology informatics
- Enables more precise analysis
- Automates lower value-added tasks and improves cycle times
- EHRs integrating longitudinal data
Advances in medicine virtualize the specimen and change the practice platform

<table>
<thead>
<tr>
<th>In vivo diagnostics</th>
<th>Whole slide imaging</th>
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<tbody>
<tr>
<td>• In development</td>
<td>• Removes geographic boundaries, enables meta data analysis and informatics</td>
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<tr>
<td>• Able to determine normal/abnormal without surgery</td>
<td>• Changes pathology workflow</td>
</tr>
<tr>
<td>• Likely to reduce biopsy volume, but create a new data stream for pathologist interpretation</td>
<td>• Clinically approved in Europe; approved in US for select uses</td>
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</table>
We must change

• Focus on value, not volume
• Reassert our role as physicians
• Diversify and expand services
• Prepare for new payment and delivery models
What is the Transformation?

CAP’s multifaceted, research-driven strategy designed to:

- Affirm and increase pathologists’ value to patient care
- Secure pathologists’ future as leaders in 21st century scientific medicine
Driving Sustainable Change

CAP Case for Change Engages:

- Pathologists and Practices
- Local Peer2Peer Practice Roundtables
- Medical Schools
- Partners
- Other Pathology and Medical Societies
- Patients, Legislators
- PR Campaign
- Payers, Health Care Stakeholders
- Advocacy in DC
Our physician colleagues want clinical actionable information.

I want pathologists to provide clinically actionable information.
Tell me what to do with this data.
Competitive Advantage

Pathologist Competencies

- Consummate Morphologist
- Plays Well Within Organizations
- Tests, Interpret Data & Handle Specimens
- Statistical Process Control
Value ... “At the table or on the table”

At the Table:
• Path lab value generator – partner with clinicians and negotiate compensation
• Services generate downstream, measurable clinical value

On the Table:
• Vendor - services managed and expenses reduced
• Test price drops = providers profits in bundles
# Pathology Fellowships - 2012

<table>
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<th>Specialty</th>
<th>Number</th>
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<td>Blood Bank</td>
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<td>Forensic</td>
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<tr>
<td>Molecular</td>
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<td>Neuropath</td>
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<tr>
<td>Microbiol</td>
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<tr>
<td>Informatics</td>
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CAP Transformation Strategy

• Pathologists must be known
• Pathologist must be ready to deliver
• Pathology must claim for itself the means for achieving and sustaining a distinctive advantage
Education key in Transformation

- Prepares for new and enhanced roles
- Continuous skill enhancement
- Licensure/recertification needs
- Builds on the initiatives of the Pathology and Laboratory Quality Center
New Leadership Roles

- Biorepository Director
- Infection Control Director
- Molecular Test Consultant
- Chief Information Officer
Welcome to the CAP Learning Portal

No matter where you are in your career, the CAP’s Learning Portal is a comprehensive online learning tool geared to meet your learning needs.

Click on one of the boxes below to get started.

**Labaratory Professionals**

VIEW LEARNING ACTIVITIES

**FEATURED PROGRAMS**

- **Advanced Practical Pathology Programs**
  - Experience highly focused training in emerging areas of science and technology where no recognized specialty designations are yet available. Earn CME credits and AP3 recognition through online sessions, hands-on workshops and rigorous assessments.
  - **AP3 PROGRAMS**

- **Self-Assessment Modules (SAMs)**
  - ABP CME-credited demonstration of competencies at the cutting edge of pathology science and skill. Only CAP SAMs deliver top tier, highly interactive formats, and outcomes based learning.
  - **Access Instructions (i)**

- **Pharmacogenomics**
  - CAP’s newest learning resource—Pharmacogenomics—is the pathologist’s opportunity to lead this emerging field and become more involved in the patient care team.

**QUESTIONS ABOUT THE LEARNING PORTAL?**

GUIDES/VIDEO/FAQs
Lab Medical Director

• Business building program
• Practical, job-relevant training providing essential education and skills

Features and benefits:
• Seven CAP online courses with SAMs
• Interactive, faculty-led, 1.5-day workshop
• Cognitive and practical assessments
• 25 AMA PRA Category 1 Credits™
CAP course offerings

- Self-Assessment Modules
- Competency Assessment Program
- Personalized Health Care Webinars
- Molecular Oncology in Action curriculum

- Pharmacogenomics
- Laboratory Accreditation Inspector Training
- Clinical Pathology (CPIP)
- Archives Applied
CAP/APC Partnership

- MOU signed in September 2012
  - Addresses enhancements to GME and CME
  - Aligns with transformation efforts
  - Partners on advocacy issues

- Partnership began January 2013

- Collaborative initiatives in development
Pathology and Laboratory Quality Center

- Develops evidence-based guidelines and consensus statements
- Improves quality of diagnostic medicine and patient outcomes
- Collaborates with partners:
  - CAP/ASCCP LAST Recommendations – July 2012 (35 organizations participated)
  - CAP /IASLC/AMP Lung Cancer Biomarkers Guideline – April 2013
ONC National Survey on Health Information Exchange

- Support survey and members involved in development
- Distributed 14,000 labs to assess electronic laboratory exchange activities and capabilities
- Encourage you to participate if invited
- Results available summer 2013
  - Serves as a benchmark
  - Assists CAP policy efforts
CAP activities in genomic medicine

- Publication of first set of laboratory requirements CAP/CLIA for NGS clinical testing (NGS checklist as a part of the revised Molecular Pathology Checklist) published- July 31, 2012

- Development of laboratory standards (CAP/CLIA) for maternal screening using NGS technology
CAP activities in genomic medicine

- Development of a methods based NGS proficiency testing product - estimated pilot launch in 2013 and full launch in 2014

- Collaborative Molecular Pathology Short Courses in several national conferences in collaboration with Cambridge Healthtech Institute
Promising Practice Pathways™

- Describes new pathologist-driven services and programs that add clinical value outside of the laboratory by improving downstream clinical quality and outcomes, and generating downstream clinical cost savings

- LEARN MORE: yourpathyourchoice.org
The Practice Pathways

- High-Performance Diagnostic Services
- Coordinated Population Care Services
- High-Performance Pathology for High Value Oncology
- Patient Diagnostic Services Center
The Practice Pathways

High-Performance Diagnostic Services

Coordinated Population Care Services

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Our ACO PHM Advantage

Guidelines systematize care

Population-Based: Lab Informatics
- Patterns for identifying risk
- Algorithms inform guidelines
- Statistics for performance management

Molecular individualizes care

Individualized: Molecular or Biomarker Testing
- Results & algorithms identify risk
- Results individualize guidelines / interventions
The Practice Pathways

High Performance Diagnostic Services

High Performance Pathology for High Value Oncology

Coordinated Population Care Services

Patient Diagnostic Services Center
Patient Diagnostic Services Center: Design Elements and Market Needs

- Integrate Dx service modalities
- Interpretive reporting
- Six Sigma

- Ambulatory setting
- LEAN operations
- Algorithmic optimization
- Economies of scale

- Co-location and scheduling conveniences
- Patient-centered
- Rapid results

- Community setting
- Retail-level services
- Low prices and financing
- High quality
Promising Practice Pathways

SHAPING TOMORROW.
Your path. Your choice.
Washington outlook...

- Fiscal policy, economy, and jobs dominate political and policy agendas
- Reforms are increasing scrutiny of fee-for-service, expanding pay-for-performance
- Congress seeking ways to reduce health care spending
  - Obamacare is in
- Self-referral: Mitchell study
CAP advocacy goals

- Mitigate payment cuts
- Enhance pathologists’ role in coordinated care
- Maximize role in test selection and diagnosis
- Level playing field for pathology practices

The CAP is the pathologist’s strongest advocate...
Stay informed and engaged

- @CAPDCADVOCACY
- Statline
- CAP Webinars
  - Nov 14 on 2013 Final Rule
  - Nov 15 on PQRS
- CAP Policy Toolkit and Issue Briefs
- CAP 2013 Policy Meeting
- cap.org/advocacy