RELATION BETWEEN NARROW NETWORKS AND PROVIDERS OF CANCER CARE

Laura Y asaitis, Justin E. Bekelman, and Daniel Polsky

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KEY FINDINGS

Narrower provider networks offered on the health insurance exchanges are more likely to exclude oncologists associated with high-quality National Cancer Institute (NCI)-Designated Cancer Centers. These findings suggest that narrower oncology networks, while offering lower premiums, may involve a tradeoff between cost and quality of cancer care.

THE QUESTION

To reduce the cost of insurance plans, health insurers are increasingly marketing plans that restrict access to providers (both hospitals and physicians). These narrow provider networks allow insurers to offer price-competitive plans, often through lower reimbursement rates or selective contracting with providers treating lower-cost patients. Whether narrow networks limit access to high quality providers is not known.

NCI-Designated Cancer Centers, and a subset of them identified as National Comprehensive Cancer Network (NCCN) Cancer Centers, are recognized for their scientific leadership, cutting-edge medical technology, and lower mortality rates among severely ill patients. These prestigious cancer centers are more likely to attract patients requiring costly care, and insurers have a strong incentive to exclude oncologists associated with NCI or NCCN Cancer Centers from narrow networks. In this study, the authors assess the extent to which narrow networks systematically exclude NCI or NCCN-affiliated oncologists, and address the implications for whether narrow networks require a tradeoff between cost and quality.

THE FINDINGS

Of 407 markets (rating areas) in the country, 51 had an NCI-Designated Center; 27 of them had an NCCN center. The supply of oncologists was greater in markets with an NCI-Designated Cancer than other markets (13.7 vs. 8.8 per 100,000 residents).

The authors identified 248 provider networks in these 51 markets. Networks in these markets were narrower than in other markets, covering an average of 39.4% of area oncologists versus 49.9% in other markets. Despite this narrowness, the average number of covered oncologists per 100,000 residents was higher than in markets containing a NCI-Designated Center than other markets (4.5 vs. 3.8). However, 33 of 248 networks did not contain a single physician affiliated with an NCI center; these networks were narrower (covering only 14.1% of local oncologists) than networks including at least one NCI-affiliated physician (covering 42.3% of local oncologists). The figure on the front shows that oncology network breadth was associated with inclusion of NCI-affiliated oncologists, indicating that narrower networks are more likely to exclude these physicians.

THE IMPLICATIONS

This is the first study to demonstrate a correlation between narrow networks and exclusion of NCI- and NCCN-affiliated providers. These hospitals are recognized for their high-quality cancer care, education, and research programs. Thus, this finding suggests that narrow networks may not just offer fewer providers, but that the limited number of providers included may not offer the same quality care as those who have been excluded. This highlights a critical tradeoff that consumers face when purchasing a narrow network plan: they may benefit from the lower premiums charged by narrow network plans, but they may face reduced access to higher-quality providers in their market.

These findings are relevant to replacement proposals for the Affordable Care Act, that emphasize shoppable insurance plans for consumers. As consumers seek to learn about providers and coverage included in their plans, accurate information about these providers is essential. In 2016,
Laura Y asaitis, PhD is a postdoctoral researcher in Health Policy at the Perelman School of Medicine. She completed her doctoral training in Health Policy at The Dartmouth Institute in 2013, and was a postdoctoral research fellow for two years at the Center for Population Studies and Development at Harvard’s T.H. Chan School of Public Health. Her research interests include the study of large datasets, including surveys and administrative data, to better understand the quality and outcomes of health care in the United States. She is also interested in the application of spatial analysis methods to further our understanding of local trends in health and health care.