

## RESEARCH BRIEF

# niche programs

**T**he Oncology Group is frequently approached by fledgling cancer programs and programs developing programs with smaller cancer patient volumes whose ask, “Can we begin to grow our cancer program by first developing a profitable niche

(or site-specific program), then later create a *full* or more comprehensive set of cancer services, perhaps covering a wider spectrum of cancer diagnoses?” The question has become so pervasive, that The Oncology Group conducted a short poll, among experienced cancer program administrators who are also members of the Association of Cancer Executives. The firm put these questions to administrators:

- ❖ In your experience (or knowledge), is a robust *general* cancer program a prerequisite for establishing a site-specific (or niche) cancer program?  Yes  No
- ❖ If NO, do you know of any programs that have a site-specific (niche) program without a robust general cancer program?
- ❖ If No, what are the key factors or components one would need to establish a niche or site-specific program, in the absence of a robust *general* cancer program (e.g. a “star” sub-specialty physician, an advanced degree nurse, critical mass patient volumes, etc.)

Results of this informal poll yielded the following results:

- **The overwhelming majority (85%) of respondents answered “Yes,” a robust *general* cancer program was needed before an institution could launch a successful niche service.**
- “So many core clinical and support programs are more easily supported as part of a larger cancer program.”
- “I suspect [the need for a robust general program] is a function of both volume of cases and having the types of specialized expertise and interest in staying current. Even here, where we have good volumes, developing interest in and support for site-specific programs is difficult with some of our best physicians. The physicians acknowledge this is the way the field is moving, but are themselves, often reluctant to move there. I think this may have more to do with finances than clinical issues.”
- “One challenge for us has always been that our physicians are physically dispersed among many community practices, and it is extremely inefficient for them, economically, to block out time to meet with patients as a team to evaluate and reach consensus on a treatment plan.” [This feature is a key benefit and expectation of a site-specific program.]
- Patient volume related to the specific site is critical. Another important factor is the proximity of similar programs in the market.
- “The resources available through a general cancer program are intensive and necessary in helping patients through the navigational process.
- **Of those who responded that “No” a general cancer program was *not* needed, several offered supplemental thoughts.**
- Having a star team of MDs, who could create a multidisciplinary clinical specific to a cancer type would be a key success factor.

- “I think you could create a niche service in cancer survivorship, pain management, palliative care, etc. without having a robust general cancer program.”
- “I am aware of freestanding prostate treatment centers and a breast hospital. A “star” physician is probably the most important success factor. Technology is important. A patient-centric program and operational design are also key.”

While more research into this question is clearly needed, **The Oncology Group supports the majority respondents’ opinions that indeed, a robust general cancer program is a prerequisite for developing a successful niche service.** The firm’s Principals believe creating a niche program requires several program or institutional characteristics that develop during the evolution of a robust general cancer program. Creating these key critical success factors on a site-by-site basis would be costly, labor (and relationship-building intense), require recruiting numerous star physicians and supporting them financially, as their practices develop slowing over time.

Moreover, so many cancer care services are either unreimbursed or underreimbursed. General cancer programs offer myriad options for administrators to shift funds from strongly reimbursed treatments (e.g. radiation therapy) to under-endowed (but needed) patient centric services that often create the key points which differentiate a successful niche program. This includes such services as a single patient navigator-contact throughout a patient’s diagnosis and treatment (often a year of contact), nutrition counseling as treatments take their toll on the patient’s interest in eating, financial support for physicians to participate in multidisciplinary treatment planning (the Mayo model), demographic-targeted support groups (e.g. mothers of small children, spouse support groups), cancer rehab exercise programs. None of these services are, at this time, typically capable of supporting themselves. The services’ survival is based on the institution’s ability to shift funds from reimbursed treatment arenas to unreimbursed patient services. In short, TOG suggests the following are key prerequisites for developing a niche cancer program:

1. **Adequate patient volume** (i.e. individuals diagnosed with the specific cancer); as well as a demographic and location whose data shows this patient volume will grow or continue for at least 5-7 years.
2. **Limited competition** (in the service area) for these same patients (i.e. other institution’s niche programs, a nearby academic program with one or several “star” physicians already well-known in the community).
3. **A “star” physician** and champion, who can both build the clinical program and secure “buy-in” to the multidisciplinary planning concept among private practice physicians.
4. **A dedicated administrator service-line builder** who can shepherd the development process through the early years of intense financial investment, growing required patient volume, and driving toward break-even.
5. **Access to money** to support un / under-reimbursed patient-centric services.

Each site-specific program also has a different set of success criteria. The Oncology Roundtable has produced information about the various success characteristics and their priority ranking for tumor-specific niche programs (e.g. breast cancer center, prostate cancer services, etc.). Those developing detailed site-specific cancer programs could find this material interesting.

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