# Healthcare Infrastructure

Monday November 4<sup>th</sup> 2019

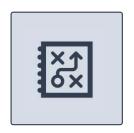
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I have no conflicts of interest

### Outline



Healthcare Infrastructure



Assay Validation



The Innovation Approach



CPT Codes AMA, Tiers

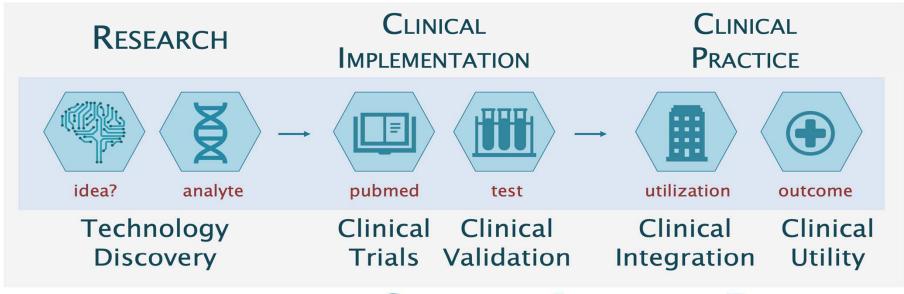


Revenue Cycle Management Sustainability



Financial

#### Center for Integrated Diagnostics - Concept

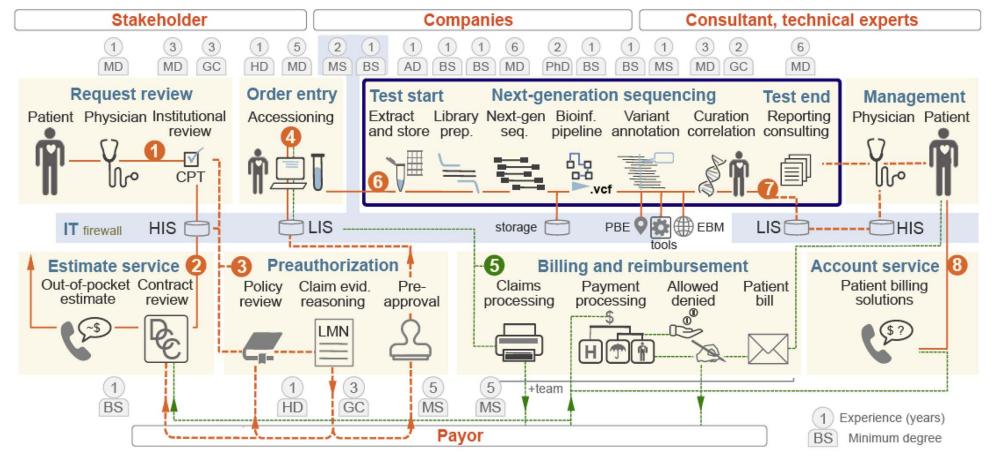


**CENTER FOR INTEGRATED DIAGNOSTICS** 



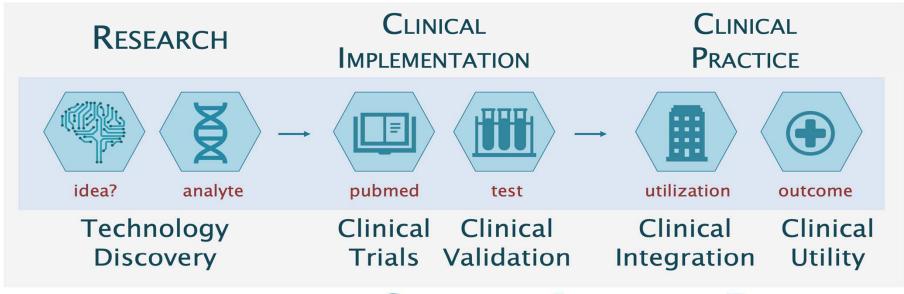


### Synthetize the healthcare infrastructure for financially-sustainable genomics



Lennerz et al., 2016 JMD

#### Center for Integrated Diagnostics - Concept



**CENTER FOR INTEGRATED DIAGNOSTICS** 





# "A New Assay to Launch"...

- Purpose
- Laboratory Test Validation = Specifications for Analytical (Test) Validation
  - Analytical accuracy
  - Precision
  - Analytical Sensitivity (limit of detection, LOD)
  - Analytical Specificity (interferences)
  - Reportable range
  - Reference range
- Conclusion

## What does that actually mean

- The term validation, although used widely by laboratories to mean 'establishing the performance characteristics' for the test, may not appear in regulatory standards.
- The term verification is termed as 'test evaluation'

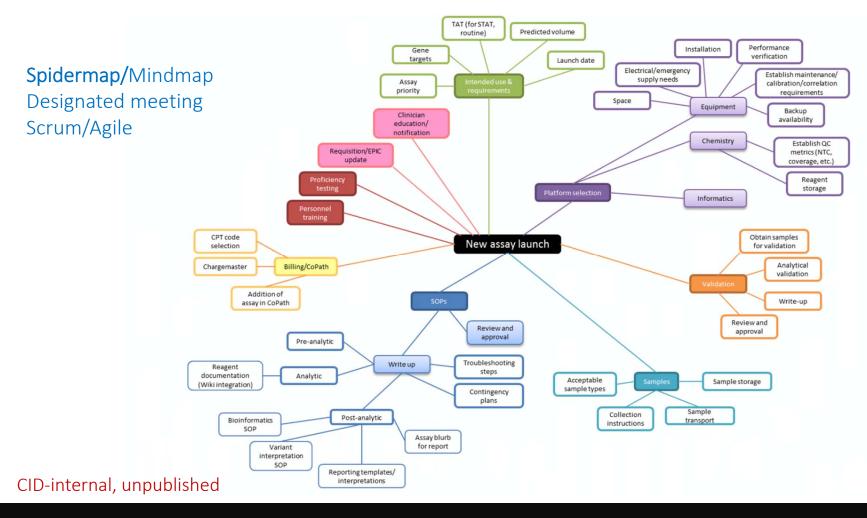
Requirement ISO 15189:2007	5.5.1 'If in-house procedures are used, they shall be appropriately <b>validated</b> for their intended use and fully documented'
	5.5.2 'The methods and procedures selected for use shall be <b>evaluated*</b> and found to give satisfactory results before being used for medical examinations. A review of procedures by the laboratory director or designated person shall be undertaken initially and at defined intervals'.
Requirement CLIA 1988, Sec.493.1253	'() introduces a test system not subject to FDA clearance or approval () must, () establish () the <b>performance specifications**</b> ()'
EuroGentest <sup>1</sup>	'STATEMENT 01: NGS should not be transferred to clinical practice without an acceptable validation of the tests according to the emerging guidelines'
College of American Pathologist (CAP) <sup>2</sup>	MOL.34936: NGS Wet Bench Process <b>Validation</b> MOL.34960: NGS Bioinformatics Pipeline <b>Validation</b>

https://euformatics.com/validation-for-ngs-based-clinical-tests/

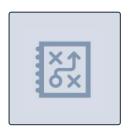
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#### Identify key elements for integration of new diagnostic tools into routine clinical practice



### Outline



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Assay Validation



The Innovation Approach



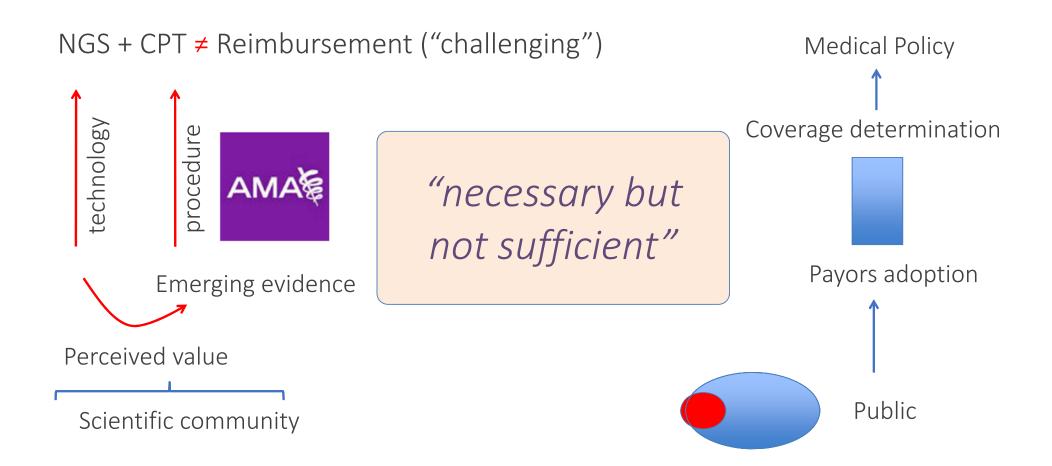
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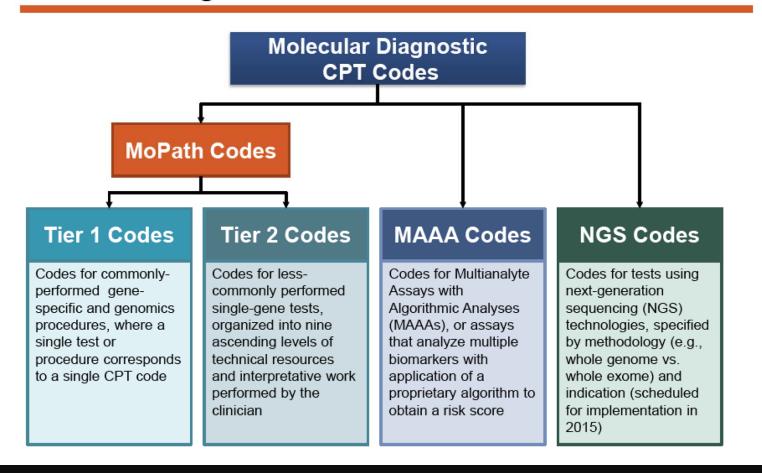
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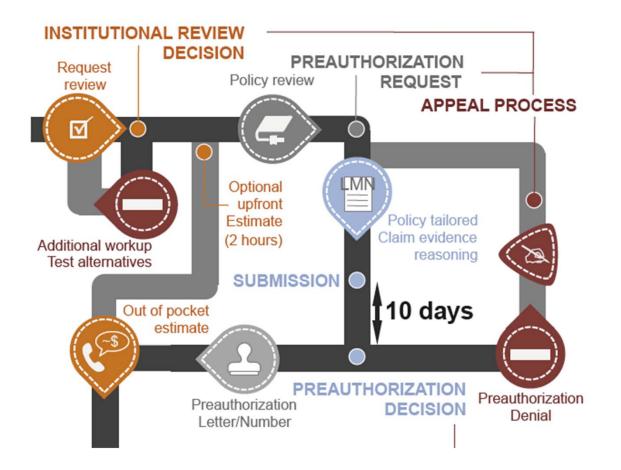


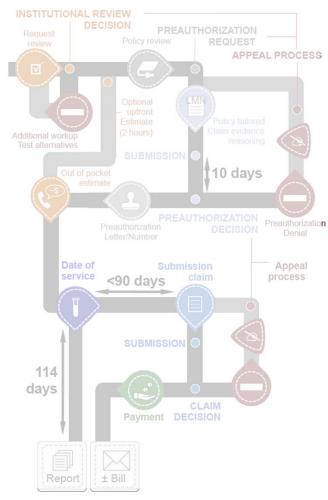
Financial



### The AMA Has Established Several CPT Code Sets for Molecular Diagnostic Tests



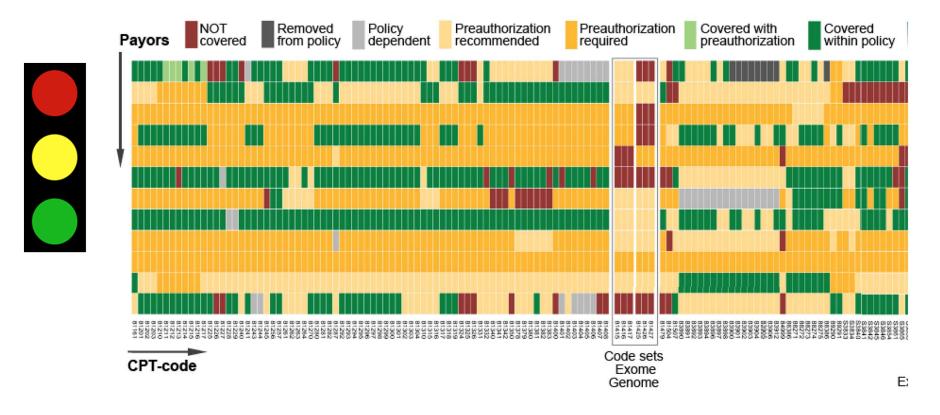




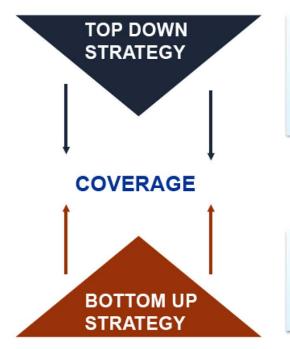
Lennerz et al., 2016 JMD

Payor Rules by CPT-codes of Selected Molecular-Genetic Tests

### "Policy-tailored claim evidence reasoning"



Lennerz et al., J Mol Diagnostics, 2016

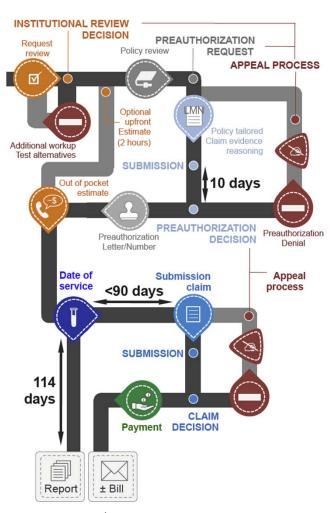


- Developing and publishing strong clinical utility evidence
- Engaging payer medical directors to advocate for publication of favorable coverage policies

- Developing a robust appeals program to overturn medical necessity claim denials
- Leveraging successful appeals to make a case for formal coverage

In the absence of strong clinical utility evidence, a robust appeals program can be an effective tool to secure coverage

Quorum Consulting, Inc. - San Francisco, CA



Lennerz et al., 2016 JMD

### Update on expanded molecular testing (payor initiatives)

- BCBS Initiative (MGH/BWH/DFCI) started in late 2015
- First co-developed policy 7/2016
- August 2016 => added B/T-cell NHL
- January 2017 => update GBM/Medulloblastoma
- October 2017 => Diagnostic code update
- March 2018 => DEX registration requirement removed
- April 2018 => Diagnostic code update
- August 2018 => LCD hematolymphoid
- September 2018 => Diagnostic code update
- October 2018 => Diagnostic code update
- December 2018 => pediatric tumors
- ~April 2019 => see right

Table 2a. Conditions for which Solid Tumor NGS Panel Testing is MEDICALLY NECESSARY

Disease For Which Test is Covered	Additional Requirements
B-Cell NHL	Diagnostic, Prognostic, Monitoring
Bladder Urothelial Carcinoma	Stage IV or recurrent or unresectable
Breast	Stage IV or refractory or recurrent
Cholangiocarcinoma	Stage IV or recurrent or unresectable
Colorectal Cancer	Stage IV or recurrent or unresectable
Endometrial Carcinoma	Stage IV or recurrent or unresectable
GI Stromal Tumor	Any stage
Glioma	Diagnostic, Prognostic, Monitoring
Medulloblastoma	Diagnostic, Prognostic, Monitoring
Melanoma	Stage IIIB, IIIC, IV or recurrent or unresectable
Meningioma	Grade 2 to 4 (only recurrent or unresectable)
Neuroblastoma	Any stage
Non-Small Cell Lung Cancer	Stage IIIB, IV or recurrent
	Relapsed or refractory advanced (stage II or higher), non-mucinous
Ovarian	ovarian cancer being considered for PARP inhibitor therapy
Pancreatic Tumors	Diagnostic, Prognostic
Pediatric Tumors	Patient age under 18 years
Prostate	Metastatic castration-resistant
Rare Tumors	Less than 5,000/year in US; Metastatic or recurrent or unresectable
Stomach/Esophageal Cancer	Stage IV or recurrent or unresectable
T-Cell NHL	Diagnostic, Prognostic
Thyroid Cancer	Stage IV or recurrent or unresectable
Unknown Primary	May be used for Diagnosis or Therapeutic Decision Making

### Out of Pocket Estimates

