



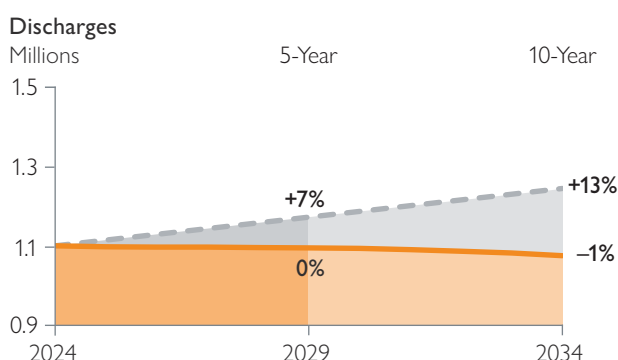
Snapshot 2024

CANCER

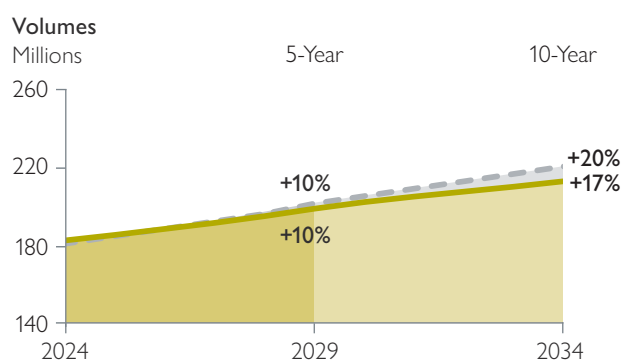
LANDSCAPE

Within their local markets and nationally, health systems' cancer programs increasingly face fierce competition and care delivery complexity. Among the most consequential dynamics: rapidly evolving targeted therapies, newly approved drugs, heightened revenue pressure and a surging population of survivors. To contend with workforce constraints in numerous subspecialties, service line leaders are accelerating care redesign efforts. They are rethinking care delivery offerings (both in person and virtual) while safeguarding the high-touch, subspecialized care demanded by the majority of cancer patients. Magnified focus on value-based care is raising awareness among payers and consumers of how individual programs within a market perform on measures of cost and quality. Thus, programs should continue efforts to curb practice variation as a key to competitive success. Amid this tumultuous landscape, service demand remains strong, primarily in the outpatient setting. As cancer leaders look to keep pace, optimizing every decision point along the care continuum will be crucial to maintain market share and fuel future growth.

Inpatient Cancer Forecast, US Market, 2024–2034



Outpatient Cancer Forecast, US Market, 2024–2034



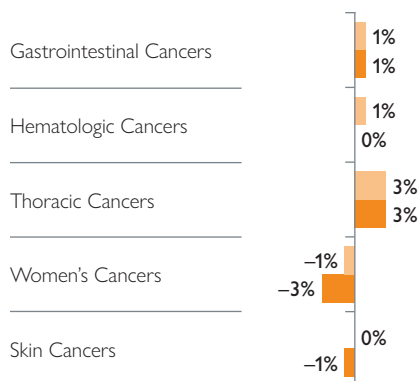
■ Sg2 IP Forecast ■ Population-Based Forecast ■ Sg2 OP Forecast

TOP TRENDS

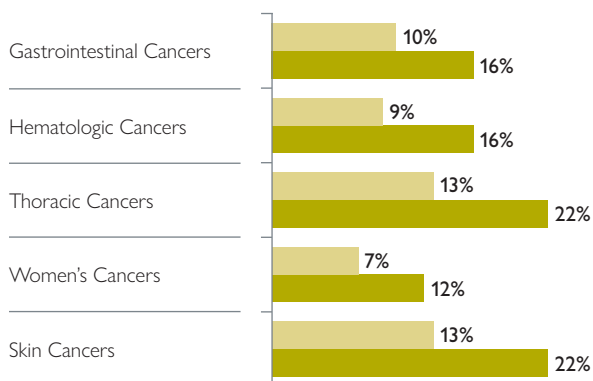
- Emerging novel cellular therapeutics and minimally invasive technologies (eg, immune effector cell–based therapies, IR) are garnering attention and utility. These and other novel approaches will challenge traditional clinical standards and offerings (eg, specialty pharmacy, diagnostics, precision medicine).
- Updated screening recommendations for younger and at-risk populations, coupled with fragmented access points, are pushing programs to strategically recalibrate screening and detection channel strategies, prioritize capture of eligible but unengaged and disparate vulnerable populations, and emphasize timely access to diagnosis and downstream care while leveraging molecular and genomic testing.
- The impact of an undersupplied oncology workforce (eg, nurses, oncologists, ancillary staff) is pushing programs to reevaluate their workforce strategy.
- Payers increasingly are weighing in on where (eg, infusion centers, home) and how patients receive care and treatment, often restricting service options or delaying treatment delivery.
- Top cancer programs are looking to be leaders in designing innovative value-based care models (eg, at-risk, bundle carve-outs) that promote System of CARE partnerships, align payer and provider incentives, and reduce unnecessary care and expenses.
- Leading programs are expanding the reach of their services regionally and nationally, distributing services and aligning clinical expertise and resources (eg, advanced care capabilities, virtual access to tumor-specific subspecialists, clinical trials access) to meet consumer expectations.

Note: Analysis excludes 0–17 age group. 0% indicates the forecast is flat (less than ±1%). CARE = Clinical Alignment and Resource Effectiveness; IR = interventional radiology. **Sources:** Impact of Change®, 2024; HCUP National Inpatient Sample (NIS). Healthcare Cost and Utilization Project (HCUP) 2019. Agency for Healthcare Research and Quality, Rockville, MD; Proprietary Sg2 All-Payer Claims Data Set, 2022; The following 2022 CMS Limited Data Sets (LDS): Carrier, Denominator, Home Health Agency, Hospice, Outpatient, Skilled Nursing Facility; Claritas Pop-Facts®, 2024; Sg2 Analysis, 2024.

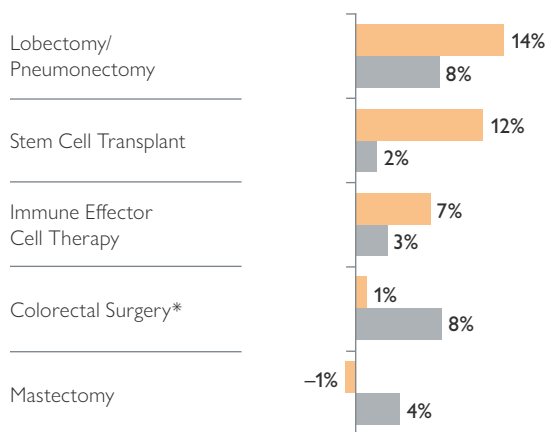
Inpatient 5- and 10-Year Forecast by Service Line Subspecialty, US Market, 2024–2034



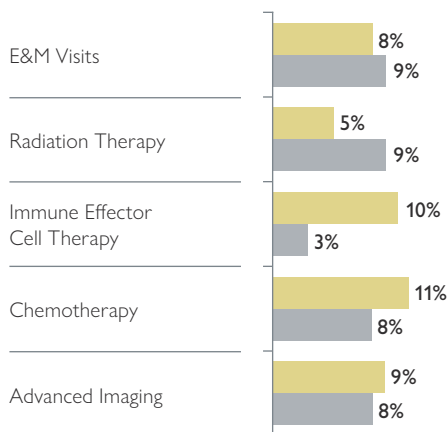
Outpatient 5- and 10-Year Forecast by Service Line Subspecialty, US Market, 2024–2034



Inpatient Procedures Forecast, US Market, 2024–2029



Outpatient Procedures Forecast, US Market, 2024–2029



■ Sg2 IP 5-Year Forecast
 ■ Sg2 IP 10-Year Forecast
 ■ Population-Based Forecast
■ Sg2 OP 5-Year Forecast
 ■ Sg2 OP 10-Year Forecast

ACTION STEPS TO DRIVE VALUE

- ▶ Solidify a patient-centered strategy in oncology by creating a well-coordinated, diverse offering across the care continuum. Deploy highly integrated care teams (eg, disease-specific navigators, pharmacists, advanced practitioners), services and ancillary support (eg, financial counseling, education).
- ▶ Identify gaps in current clinical expertise that warrant investment (eg, fellowships) in further subspecialization. This may be essential to expand services that require innovative therapeutics and treatment approaches (eg, targeted immuno-oncology/immune checkpoint inhibitor, biosimilars) and advanced technologies (eg, molecular and genomic radiation therapy).
- ▶ Explore nontraditional or new care models (eg, care at home, home chemotherapy) to extend consumer-friendly service offerings; collaborate with payers to mitigate financial and safety risks.
- ▶ View payment bundles as an opportunity to collect longitudinal data, identify potential cost savings, improve patient experience and develop well-aligned clinical care teams. Organizations willing to go at risk should prioritize opportunities and services that support multiple specialties (eg, dedicated oncology-trained pharmacists, home infusion, palliative care, hospice).
- ▶ Focus on recruitment by investing in pipeline programs and leveraging technology. Expand nonphysician roles to offset workforce shortages.

*Colorectal surgery includes large bowel resection and rectum resection procedures. **Note:** Analysis excludes 0–17 age group. Gastrointestinal cancers include Colorectal and Anal Cancer, Hepatobiliary Cancer, Pancreatic Cancer, and Small Intestine and Peritoneal Cancer CARE Families. Hematologic cancers include Leukemia, Lymphoma and Multiple Myeloma CARE Families. Thoracic cancers include Esophageal and Stomach Cancer, and Lung and Thoracic Cancer CARE Families. Women's cancers include Breast Cancer, Cervical and Other Female Reproductive Cancer, Ovarian Cancer, and Uterine and Endometrial Cancer CARE Families. Skin cancers include Skin Cancer and Melanoma CARE Families. Radiation therapy forecast is based on fractions. Advanced imaging includes PET, CT and MRI. 0% indicates the forecast is flat (less than ±1%). E&M = evaluation and management. **Sources:** Impact of Change®, 2024; HCUP National Inpatient Sample (NIS), Healthcare Cost and Utilization Project (HCUP) 2019. Agency for Healthcare Research and Quality, Rockville, MD; Proprietary Sg2 All-Payer Claims Data Set, 2022; The following 2022 CMS Limited Data Sets (LDS): Carrier, Denominator, Home Health Agency, Hospice, Outpatient, Skilled Nursing Facility; Claritas Pop-Facts®, 2024; Sg2 Analysis, 2024.

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