**Precision Medicine Podcast, Season 3, Episode 46**

**Dr. Caroline Carney and CEO Clynt Taylor Discuss Managing the Total Cost of Care in Precision Medicine**

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**Karan Cushman, Producer:**  
Welcome to Season Three of the Precision Medicine Podcast sponsored by Trapelo. This is the podcast where experts come to discuss the problems oncologists, reference labs, and payers face as precision medicine grows and consider solutions for advancing the quality of patient-centered cancer care. Be sure to subscribe at precisionmedicinepodcast.com to get the latest episodes delivered straight to your inbox.

**Jerome Madison, Host:**

Welcome to another episode of the Precision Medicine Podcast. I'm your host, Jerome Madison, and today we have Dr. Caroline Carney, Chief Medical Officer at Magellan Health. Dr. Carney, thanks for joining us on the podcast.

**Dr. Caroline Carney:**

I am delighted to be here, Jerome. Thank you for inviting me.

**Jerome Madison:**

And to our loyal listeners, you guys know that we don't often get time with Clynt Taylor, the CEO of our title sponsor, Trapelo Health, but we're happy to have him today as we talk to Dr. Carney about the challenges that payers are facing as precision medicine grows in cancer care and other diseases. Clynt, thanks for joining us.

**Clynt Taylor:**

Thanks, Jerome. And thanks Dr. Carney for being here as well. Looking forward to this.

**Jerome Madison:**

Dr. Carney, you and Clynt have led development and implementation of innovative clinical programs to improve patient care over the years. And Magellan Health is a leader and innovator in some of the most complex areas of healthcare. Can you tell us about Magellan as a company and the nature of your relationship with payers?

**Dr. Caroline Carney:**

I would love to. We see ourselves as a solutions' company, and in my role, I get to bring forward clinical innovation from across the span of healthcare, everything from behavioral health all the way to the rarest of diseases. Let me tell you how we do that.

**Dr. Caroline Carney:**

Magellan Health is composed of Magellan Healthcare and Magellan Rx Management. Those are two separate verticals, large verticals, inside the company. Inside Magellan Healthcare, there are three main verticals. Behavioral health solutions, including traditional carve-out services, autism services, public market services, and employee health services. Specialty management, which includes radiology, cardiac imaging, and therapies such as physical and occupational therapies and musculoskeletal care, as well as our federal division, which includes our large military family-life program serving service women and service men and their dependents throughout the world.

We've recently entered also into a new vertical into the provider space with Magellan actually becoming a provider. On the second side of the company, inside Magellan RX Management, we have a diverse scope of products that includes traditional PBM services, PBM and formulary management services that are direct to 26 states in the country, and federal programs like the ADA program for individuals with HIV and AIDS. And our specialty medication and medical pharmacy solutions program, where we have been for over 16 years. And it's through that later solution that I came to meet Clynt and Trapelo.

**Clynt Taylor:**

You know, you and I had a chance to meet a couple of years ago as we started talking about some of the challenges and issues that are really facing healthcare, but more specifically oncology and even more specifically precision medicine, because we both connected on that topic. And we have been watching closely how the complexity and cost of precision medicine…while you and I both share a passion for this because we've had family members that we've lost to cancer. And so I know that about you, and I know that we share that, but this complexity that we're seeing today, I think is kind of unprecedented. I wondered if you could talk just a few minutes as we kind of transitioned to this idea of talking about precision medicine. What kind of pressure or how does this relate to the payer community? Because I know you serve a lot of payers through your services, how are they dealing with this? How do you see that affecting them?

**Dr. Caroline Carney:**

Clynt, I think that's a really great insight about focusing on how this is affecting providers and how this affects payers and the relationship between the two. I want to step back by specifically focusing on cancer. In my young life, I was faced with cancer year over year, over year, watching relatives, friends, neighbors die of cancer at ages too young, and I'm fortunate that I have two of my four brothers who are cancer survivors. And so this has been an area that has always been a passion of mine to be able to get it right. And so in my role as CMO and seeing the range of services across the company that we have, I put my provider hat on and I put my patient hat on and family member hat on and look at all of this to say, “How can we get it right? What are those complexities?”

If you look at the statistics today, the National Cancer Institute reports that nearly 40% of men and women will be diagnosed with cancer at some point during their lifetime. That means that this touches everyone and touches our providers daily. The number of cancer survivors continues to increase, which is incredible. And it's projected to be over 22 million people by 2030. These are numbers that again tell me we have to, as an industry, to support our providers and our members to get this right. And we know what those most common cancers will be as we look at targeting therapies and where to get the best practices implemented first, whether that's in breast cancer, lung and bronchus cancer, prostate cancer, or colorectal cancer. Those four are the leading cancers in the population.

**Dr. Caroline Carney:**

In the complexity that our providers are seeing, not only are they trying to manage all of the changes in diagnostic capabilities, whether that's front-end genetic testing in terms of preventive looks at finding individuals at higher risk of cancer, they are managing what to do at the time of diagnosis, how to assist people in navigating through a complex system that includes chemotherapy, biologic therapy, biosimilars today. All these things that may be confusing to the general practitioner, radiation oncology, surgical oncology, palliative care and, and, and.

It's a really complex area of medicine that the type of navigation that's needed to support the primary care providers and those frontline providers and getting the individual started on the right track has never been more important until now. The explosion of knowledge in this area, especially regarding genetic testing and the understanding of the genome as it relates to malignancies, is so rapidly changing that no single individual, no single medical director at a health plan or a health system can stay on top of it. We really need to partner as an industry to bring all of that knowledge together and streamline it into ways that will get to the best outcomes.

**Clynt Taylor:**

You touched on something that I think is really important. And it's the whole idea that when you say no one person can do this, that's a big shift actually, because we have for so long kind of trusted in our doctor to know this stuff. And that's too much to expect of any doctor today, to really know all the stuff on his or her own, in their own cognitive abilities.

**Dr. Caroline Carney:**

That's exactly right. And when you then apply what we see in market today about a test that may be one thing and called one name by one lab, and the exact same test is bundled or called something different by another lab, and then by a third and fourth lab. It only makes it more confusing for those providers to try to navigate on the front end. And so, again, in this idea that we are moving from individual practices or group practices into a system of care that in my mind has to involve the three primary parties, which are the payer, the practitioner, and the patient working as a team.

**Clynt Taylor:**

Yeah, and I think that's where it kind of comes back to this idea... We've had this conversation where a doctor can go through an enormous amount of effort to try to get the treatment right and then tosses it over to Magellan and says, "Can I use this treatment option?" And Magellan now has to catch up or the payer has to catch up to say, "Well, what was tested? Was everything tested that should be tested?" In other words, how did you come to this conclusion, and you only have a limited amount of time to do that? I mean, that's a lot. I just wonder how payers are going to adjust to that increase in complexity.

**Dr. Caroline Carney:**

Well, our solution for that-

**Jerome Madison:**

Well, not only that. The complexity is growing, and you guys have unpacked a lot of that complexity and just talking about it in the last couple minutes. It's...

**Dr. Caroline Carney:**

I think that when you look at the complexity, the solutions have to come from how to streamline the different stops along the way into one system. If you look at an issue, particularly in oncology, and I think a lot of folks don't understand necessarily how the industry is set up with a payer. That a payer may have other organizations who have greater depth of knowledge, doing some of the utilization management and medical management for them. Take a typical request for an oncology product. The oncologist has to go to some lab and figure out in that lab what the right testing is, and order that test. But by the way, before they get to that test, they will have to get prior authorization from a health plan or a carve-out doing the genetic testing for that. That information has to be translated back ultimately to the provider who can then order the test.

Now we have a test and a test result, and the interpretation of that test result isn't always straightforward, especially as the science is changing so rapidly, to be able to tell that payer, "With this result, I can now order this treatment because it's the appropriate treatment." In fact, there was a paper published in JAMA last year that said even with the genetic testing information, providers are getting it right about half the time.

And so knowing that, the next step is, "Okay, now I have to get the right treatment for my patient." And I'll have to go to either a PBM or another part of the company that's doing medical pharmacy that might sit apart from the rest of the company, say doing the surgical management of the patient or the radiation management of the patient. These are not all tied together in a holistic type of experience for anyone.

So, back to the drug example, if we then go to the plan and say, "This is a treatment I want." The plan will review it and will say, "Oh, we can't approve that without the testing." And so you have to go back and get the testing, and it just becomes very discombobulated along the way for everyone. It's not efficient. In the background you know that patients and families are worrying about the time that it might take to get through these processes. And we want to make sure that the knowledge about what is the best set of treatments for this individual is always kept to the forefront so that we can get to the best outcomes.

**Dr. Caroline Carney:**

So, if you look at all of those different pieces along the way, I think the solution becomes really obvious, which is that you need to centralize the testing all under the same hood so that that provider is dealing with one organization to get the testing approved, ordered into the system, and relating and tracking to the pathway of treatment that's the best pathway for that individual.

In my broader scope of oncology management, we have a consolidated view where we also pull in the psycho-social management of the patient to provide the right kind of adherence supports and the right kind of symptom management supports to support patient and provider, as well as the view of what other services are needed and how can we navigate along the way. But we really get to the view of, we need to have a consolidated experience tying together, from start to end, what that patient needs to get to the best outcome.

**Jerome Madison:**

All right. Dr. Carney, you were mentioning the complexity and it's growing rapidly, but so is the cost of care. Targeted therapies for cancer care that were launched three years ago cost in the range of $150,000, but the most recent targeted agents in cancer care received FDA approval in the last year, topped over $300,000 a year. And the forecast is for anywhere between 10 and 15% growth in the near future. I can appreciate, and I think our listeners can appreciate what you mentioned earlier with your personal experiences with cancer, and as a result, you're committed to getting this right. But do you think other payers have recognized the magnitude of this that's coming and when will they start trying to innovate or to bring in solutions?

**Dr. Caroline Carney:**

I think other payers are trying to do that in one way or another, but I don't see them yet moving toward these fully connected solutions. Like the solution that Magellan and Trapelo are bringing forward, coupled with our psycho-social oncology solution and the management of the rest of the cancer experience in terms of radiology testing and so on.

Stepping back as a citizen and listening to the news or reading my online news, I don't think that there is a payer, a citizen, or a legislator out there who isn't acutely aware of these rapidly escalating costs and are looking for these kinds of solutions, which is why I feel so fortunate to have partnered with Trapelo to bring this forward. I believe that we can get there as a society, but I think part of it is going to be a sea change where we have to align the right kind of diagnostic testing to the right kinds of treatments and not promise the type of outcomes that are not realistic.

We have to do this together and to put individuals through hope when we need to share the reality of treatment and what that treatment is going to get for them is really part of this equation as well. It is not just about the money. It can never just be about the money and the cost of these treatments. It's about getting the treatment aligned correctly to the individual who is going to benefit from it the most and ensuring along the way that their symptoms are managed and that they can get to that best outcome.

**Jerome Madison:**

The Precision Medicine Podcast will continue, right after this.

*From our sponsor: With the explosion of new data and biomarkers and cancer today, how can healthcare professionals keep pace to know which genes will best inform treatment decisions? Trapelo knows. Trapelo was the first single technology platform used by oncologists, labs, and payers to resolve the complexities of precision medicine in real time. Trapelo knows which patients to test and when. It knows which tests are most appropriate, which labs are preferred, and which treatments are most likely to be reimbursed. Visit trapelohealth.com to learn how you can give cancer patients the most appropriate, evidence-based treatment options when time matters most.*

**Clynt Taylor:**

You and I have had these conversations before. We obviously share the same view on so much of what you've been talking about. Getting the expectations right, helping patients know what they can expect. You didn't mention this, but we've talked about it. And that is taking waste that is time wasted out of the system by making it more efficient. And you described a process that, of course, we were working on together, which would take some of the suspense out of the process, which gives patients the ability to know more quickly whether a test could be done and more quickly what treatment options are there for them, and the ability to really factor into all of this, their preferences for their own journey. Can you talk to that just a little bit as well?

**Dr. Caroline Carney:**

Oh, sure. The waste in the system in terms of time and efficiency is something that I believe whatever solutions come forward really need to pay attention to. There is a huge importance in getting the right treatment at the right time, particularly in the oncology setting. And so with a solution where we can couple the use of a service like Trapelo and everything that it brings in terms of aligning testing to results, to treatment, that really takes a lot of that back and forth waste of time out of the system.

If you look back in medicine, the successes in recent years around decision-support tools have been really profound. You want to do the right thing right every single time. And so, in the field of cancer treatment, that's often challenging because cancer treatment may often start in a local community with an oncologist who is a generalist treating all types of malignancies. That's the place where from the very beginning, we want to get it right. And so providing the kind of support that a solution like this brings forward really helps that practitioner get it right from the beginning, knowing which test to get from which lab, and what treatment then should be provided to the patient, instead of trying to figure out what those treatments are.

The second part of that is supporting the clinicians and understanding if there's a clinical trial available for that individual, that patient to be enrolled in, because the average clinician is not going to be able to stay aware of all of the clinical trials. And so having the solution that helps support and provides the right kind of decision support for that patient to get into the right treatment, the right clinical trial, the right process along the way is really critical in terms of being efficient and saving time-to-treatment.

I think the other aspect of this is you talked about taking the suspense out of it. And that's where the honest conversations need to have about the science behind why we get to the evidence-based practice, that this is going to be the best treatment for any individual, because we know the outcomes, we know the expected outcomes, we know the expected symptoms, side effects and so on. And having those kinds of honest discussions. Taking the waste of time out of navigating through insurers and figuring out prior authorization in those processes is time better spent on face-to-face discussions and patient care.

**Jerome Madison:**

We've talked about how important it is to get the testing right in order to give patients the best chance at the best outcome. Yet at the clinical level, there's very little automation and even less consistency in the way testing is managed in an oncology practice. In fact, the other day, speaking to a group of leaders at a cancer center, they mentioned that testing is still like the wild, wild West. They kind of take it on as... Each of them feel that that's best, but from your position and maybe the internal dialogue amongst your peers, what is the current payer appetite for innovation in the sector of precision oncology care management compared to other expensive therapeutic verticals that Magellan or other payers would manage?

**Dr. Caroline Carney:**

It's absolutely top of mind for Magellan, even in comparison to any other verticals. And it goes back to those figures that I brought up at the beginning of this conversation, just looking at the incidence of new cancer cases in the country and the number of cancer survivors in the country. This is an area where aligning from the very beginning of treatment and getting the best care has to be done, because that is the most cost effective and cost savings way to get there. I don't want to put an individual through treatments that we're guessing at or treatments that may not work. I want to get them into the right treatment from the very beginning. And precision medicine is the best way to get there for those where there is a relationship between whatever the precision test is telling us and what the aligned treatment is. Let's do that right from the beginning.

**Dr. Caroline Carney:**

And the other cost, the total cost of care start going into the right direction of getting smaller. I'm a huge believer in managing to a total cost of care and not managing just to a specific line. So I'll go into the behavioral health playbook in that circumstance. If I treat depression, if I manage anxiety, if I pay attention to the psycho-social consequences that an individual with medical conditions have, I provide that individual a better outcome in terms of getting through therapy, in terms of outcome, in terms of navigating through all of the complexities. All of those have a role in total cost of care.

If I can treat depression and provide psycho-social support for that individual on a treatment so that he or she doesn't have to go to the emergency department, or doesn't have to be admitted for dehydration, for instance, that's a total cost of care difference that is critical in total medical spend. So we can't just look at this as this is the cost of the test, or this is the cost of the drug, or this is the cost of the hospitalization. We need to look at what is the best treatment, the best time, the best place, the best outcome to get to whether that outcome is total cost of care longevity, the best days of one's life if this cancer is not treatable. Whatever those outcomes are, we need to look at it holistically and drive in that direction. I think precision medicine is key in getting there.

**Jerome Madison:**

Incredible insights.

**Clynt Taylor:**

Yeah, and I want to add to... Thanks, Jerome. Something you said, Dr. Carney, just Magellan has been known for a long time for your expertise and your leadership in behavioral health. And I think it's very notable that you're applying these as the Chief Medical Officer. You're recognizing, I guess, the progress and the success you've had in managing very holistically on the behavioral health side. And then seeing how to apply that to precision medicine where it is so fragmented right now. I think that is going to be really key certainly in our partnership together and the ability to really support that vision that you have for that really holistic approach. And I can't tell you how excited we are to be working with you because it is the right vision, it is the right approach. Like I said, we're super delighted to be partnered with you on this.

**Dr. Caroline Carney:**

Thank you, Clynt. I'd like to just give a really short example of precision medicine outside of oncology and not wearing my Magellan hat, but wearing my provider hat. In an FQHC that I helped support, we had a patient who has a psychotic disorder and was not responding, not responding, not responding to ultimately clozapine, which is a medication that typically is the end-use medication because of side effects associated with that. But one that typically works. And in this case, it didn't work and no one could figure out why the patient was taking the medication.

**Dr. Caroline Carney:**

The family was engaged. And so we got testing and sure enough, this individual had the ability to metabolize basically one drug, none of which were those that had been tried along the way. And the amount of human suffering that this individual had gone through before we were able to get the test and say, "This is what we need to figure out why she's not responding." That amount of human suffering was huge.

Now, I'm not advocating that everybody get every test, but I am advocating for whether it's oncology or behavioral health or cardiac care management, that where there are precision tests that we, as a group of providers, the payer industry, get together to really define the best evidence around when to use those tests. There is a sweet spot between the best type of clinical outcome and cost-effective evidence-based care. And where those three come together is exactly where we need to be in terms of dissemination of precision medicine.

**Jerome Madison:**

That's incredible.

**Clynt Taylor:**

Yeah. Look, that was such a great example and illustration and I know that as our listeners are listening to this, especially to those oncologists, those who are trying to treat patients, this is truly what we all want to hear, especially from your perspective, because it's just... It's so refreshing and I think it's... I think I can almost hear our listeners cheering that this is exactly what needs to happen right now.

**Jerome Madison:**

Yeah. Thank you for your insights, Dr. Carney. I will say that I read a recent interview with you in Authority Magazine, speaking of what people want to hear. You were featured in Authority Magazine, and you were asked in this interview about a life lesson quote. And this immediately prompted me to really like you without even speaking to you first, because one of the things that you said in that interview that a life lesson quote is to walk it off, which is what my mother told me and I passed on to my daughters. But in a practical sense, how can healthcare professionals or those listening to this podcast really apply that? I mean, we've got COVID, we've got new practice protocols, and in health care system, a lot of uncertainty. How can we take that sage advice to apply it today?

**Dr. Caroline Carney:**

Oh, my. My kids are probably smiling if they listen to this podcast because they've been hearing this a lot throughout their lives. But walk it off to me is a pretty loaded phrase because it can be anything from the child who fell down and bruised their knee, and you teach them to walk it off and not create more out of it than what is there. And as an adult, that phrase means to me, when you hit adversity along the way, step back, take a break, go for that walk or that swim or that time outside of the problem to think about it and reframe it and reformulate it.

**Dr. Caroline Carney:**

In healthcare right now, it's pretty hard to walk away from any of the things we are facing, and we should never walk away from them. But we should think about walking it off in terms of stepping back, giving yourself the time to think, breathe, and be creative in solutioning some of these problems. And not creating drama between whether it's a payer and a provider, or a provider and a patient, or a payer and industry, or any of us and government. Whatever that mix is, we all need some times to step back, walk it off, give ourselves a chance to think clearly, and come back to get to the right solution.

**Jerome Madison:**

Very powerful, profound, and sage advice, Dr. Carney, and we all appreciate your insights from really presenting the picture from the... We really appreciate you sharing your insights and presenting the picture from the position of the payer and the challenges that you face. Dr. Caroline Carney, Chief Medical Officer at Magellan Health. Thank you for being a guest on the Precision Medicine Podcast.

**Dr. Caroline Carney:**

Thanks to both of you. Stay well.

**Karan Cushman:**

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**About Our Guest**

**Caroline Carney, MD, MSc, FAPM, CPHQ  
Chief Medical Officer, Magellan Health and Magellan Rx Management**

Dr. Caroline Carney is a board-certified internist and a board-certified psychiatrist. She joined Magellan Health in 2016 and serves as Magellan Health’s Chief Medical Officer, while continuing as chief medical officer for Magellan Rx Management. Her previous experience includes the role of SVP Chief Medical Officer of Magellan Behavioral Health and Magellan Specialty Health.  She served as the chief medical officer for regional health plans where she gained experience in Medicaid, Medicare, Exchange, and commercial populations.

She has served as the medical director for the Indiana Office of Medicaid Policy and Planning, helping to launch the Medicaid expansion product as well as the behavioral health transformation for the state’s community mental health services. While in Indiana, she served on the Governor’s Mental Health Commission.  She is a frequent speaker about behavioral health services, integrated and collaborative care, and the importance of self-care during the pandemic.

Dr. Carney is a published author and co-author for over 100 peer and non-peer reviewed publications focusing on issues surrounding comorbid medical and behavioral health conditions.  She was a tenured associate professor of Internal Medicine and Psychiatry at Indiana University.

She started her medical and academic career at the University of Iowa where she earned her medical degree, as well as a master’s degree, and directed the Med-Psych residency program. She continues to engage in regular clinical work through supporting the behavioral health team at a federally qualified health center.