

2020 Community Oncology Alliance Practice Impact Report



1,748 Community Oncology Clinics and/or Practices Have Closed, Been Acquired by Hospitals, Merged, or Reported Financial Struggles Since 2008

Significant Increase in Community Oncology Practice Mergers and/or Acquisitions with Other Non-Hospital Practices or Corporate Entities as Hospital Acquisitions Continue

The 2020 Community Oncology Alliance (COA) Practice Impact Report tracks the changing landscape of community cancer care in the United States. This is the eighth practice impact report issued by COA and covers a twelve-year period from January 2008 through April 2020. Compiled from public and private data sources, this report provides a unique look at community oncology trends at both the national and state levels.

The 2020 Community Oncology Practice Impact Report data shows that over the last 12 years, 1,748 community oncology clinics and/or practices have closed, been acquired by hospitals, undergone corporate mergers, or reported that they are struggling financially. Specifically, the data show:

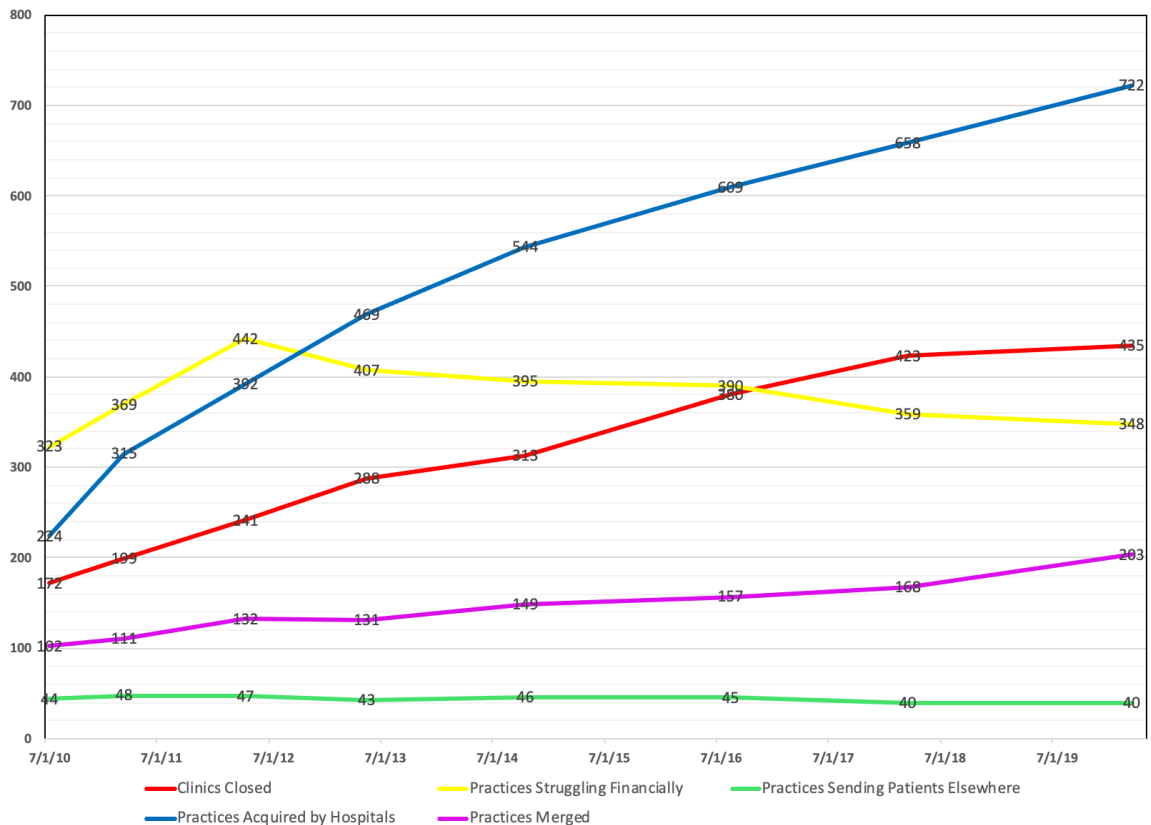
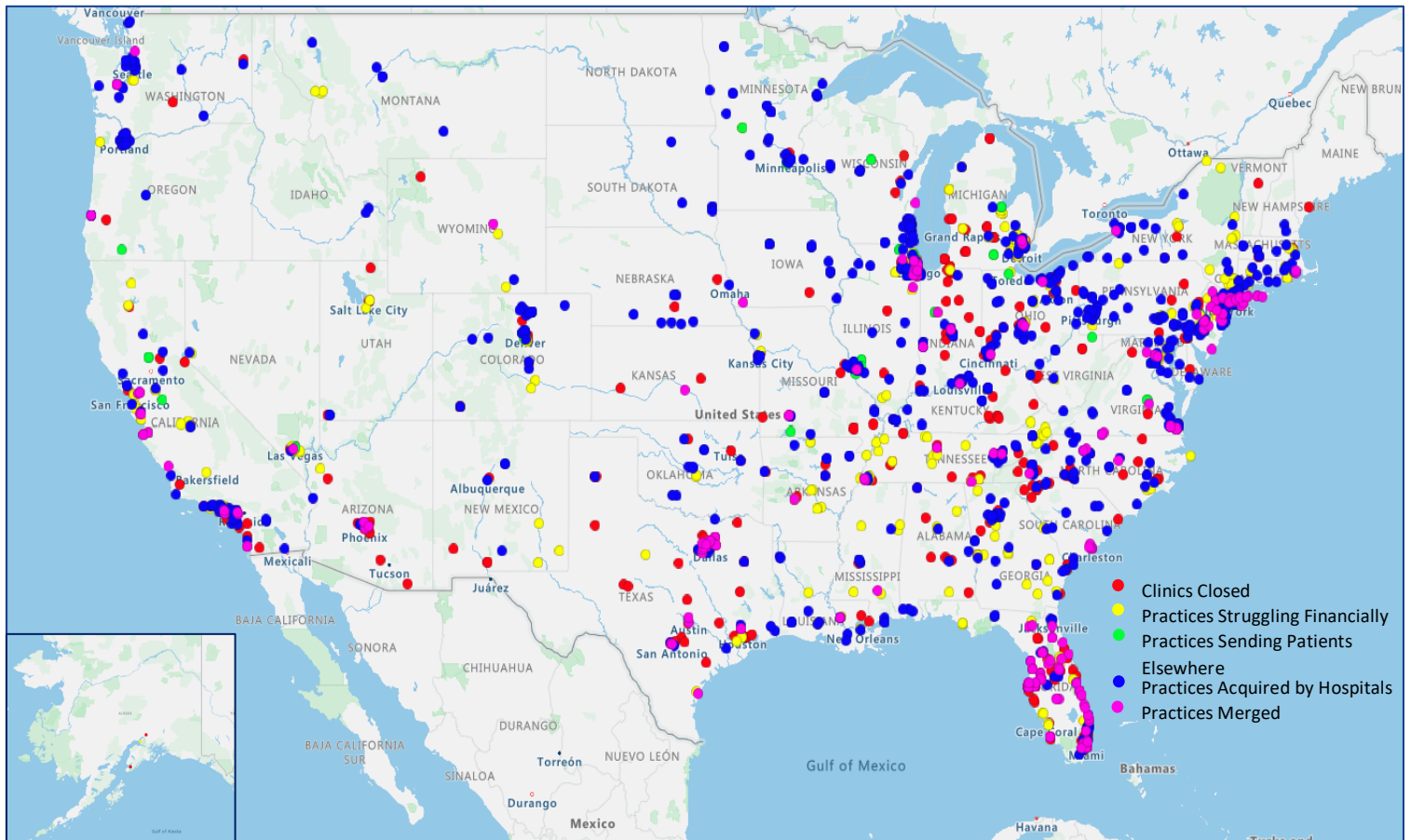
- **435 clinics closed** — Individual clinic treatment sites that have closed.
- **348 practices struggling financially** – Practices (typically comprised of multiple clinic sites) having financial difficulties, struggling to pay bills and/or stay open.
- **40 practices sending patients elsewhere** – Practices (typically comprised of multiple clinic sites) sending their Medicare patients elsewhere for chemotherapy.
- **722 practices acquired by hospitals** – Practices (typically comprised of multiple clinic sites) acquired by a hospital or, with less frequency, have entered into a contractual professional services agreement binding them to a hospital.
- **203 practices merged or acquired** – Practices (typically comprised of multiple clinic sites) merged with another community oncology practice and/or acquired by a corporate entity.

Since the last Community Oncology Practice Impact Report issued in 2018, there has been a 20.8 percent increase in practices merging with, or being acquired by, another community oncology practice and/or acquired by a corporate entity. This major jump is likely the result of practices seeking protection from hospital merger pressures. The rate of practices being acquired by hospitals continued at a steady pace, with a 9.7 percent increase from 2018 to 2020, fueled most notably by hospitals’ financial incentives in the 340B Drug Discount Program and higher payments to hospitals for cancer care services.

Despite community oncology practices keeping their doors open to treat patients in need during the COVID-19 pandemic, early data indicates that the crisis is significantly impacting practices, which are already reporting steep decreases in visits, treatments, and new patients. While government support and policy changes are helping practices weather the storm, it is unclear if hospitals will use unrestricted bailouts to fuel growth post crisis by pressuring further acquisitions on community oncology practices.

	2010 Report	2011 Report	2012 Report	2013 Report	2014 Report	2016 Report	2018 Report	2020 Report
Clinics Closed	172	199	241	288	313	380	423	435
Struggling Financially	323	369	442	407	395	390	359	348
Sending Patients Elsewhere	44	48	47	43	46	45	45	40
Acquired by Hospital	224	315	392	469	544	609	658	722
Merged or Acquired	102	111	132	131	149	157	168	203
Totals	865	1,042	1,254	1,338	1,447	1,581	1,653	1,748

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State	Total Sites/Practices Impacted	Clinics Closed	Practices Struggling Financially	Practices Sending Patients Elsewhere	Practices Acquired by Hospitals	Practices Merged
Alabama	18	7	4	0	7	0
Alaska	3	2	1	0	0	0
Arizona	25	16	1	0	5	3
Arkansas	23	5	10	0	7	1
California	131	36	38	4	38	15
Colorado	48	8	15	2	23	0
Connecticut	16	2	2	0	12	0
DC	2	0	2	0	0	0
Delaware	6	5	0	0	1	0
Florida	159	47	19	2	36	55
Georgia	55	14	17	0	24	0
Hawaii	0	0	0	0	0	0
Idaho	2	0	0	0	2	0
Illinois	91	15	26	9	24	17
Indiana	51	17	3	2	25	4
Iowa	16	2	0	1	12	1
Kansas	6	3	0	0	2	1
Kentucky	42	17	2	0	22	1
Louisiana	22	3	5	0	13	1
Maine	1	1	0	0	0	0
Maryland	27	3	7	1	14	2
Massachusetts	21	4	4	0	11	2
Michigan	103	36	42	6	17	2
Minnesota	29	2	1	2	24	0
Mississippi	15	1	5	0	8	1
Missouri	42	10	5	2	22	3
Montana	8	0	3	0	5	0

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State	Total Sites/Practices Impacted	Clinics Closed	Practices Struggling Financially	Practices Sending Patients Elsewhere	Practices Acquired by Hospitals	Practices Merged
Nebraska	10	2	0	1	8	0
Nevada	21	4	13	0	2	1
New Hampshire	2	0	0	1	2	0
New Jersey	49	6	11	0	21	11
New Mexico	11	4	3	0	4	0
New York	115	13	38	0	47	17
North Carolina	50	15	3	0	28	4
North Dakota	1	0	0	0	1	0
Ohio	67	16	8	1	38	4
Oklahoma	14	3	2	0	9	0
Oregon	23	3	2	0	16	1
Pennsylvania	78	10	9	2	56	3
Rhode Island	6	0	3	0	3	0
South Carolina	27	11	1	1	10	5
South Dakota	6	0	0	2	6	0
Tennessee	69	20	25	0	18	6
Texas	98	44	6	1	17	30
Utah	9	5	2	0	2	0
Vermont	1	1	0	1	0	0
Virginia	43	9	5	0	20	7
Washington	31	3	2	0	23	3
West Virginia	12	4	1	0	6	0
Wisconsin	38	5	0	0	30	1
Wyoming	5	1	2	0	1	1
2020 Totals	1,748	435	348	40	722	203