



Empowering  
Practice 2023 ANNUAL REPORT  
Independence

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CEO LETTER

# State of OneOncology



**Dear Partner,**

2023 was a year of validation for OneOncology and our business model.

We continued our strong momentum by having new practices join the platform and helping OneOncology partners grow by adding local practices, physicians, and cancer care services, including radiation therapy, theranostics, and imaging. Our partnership now includes 20 anchor practices across 16 states.

When our physicians gather at our regional and national meetings and I get the opportunity to talk with them, I'm always blown away by their energy and passion. It inspires me and our company to do what we do best: Help them succeed and take care of patients.

**TRANSACTION**

When we initiated our process of a potential transaction, the amount of interest we had from both strategic investors and financial sponsors was amazing. Reaching a \$2.1 billion valuation in under five years is truly a validation of our vision, mission, and business model.

The overwhelming investor interest afforded us the luxury of selecting new partners who are completely aligned with OneOncology's culture and growth plans. Our new investors have a track record of taking medium scale enterprises to a significantly larger scale, which is exactly the position we're in at OneOncology. I am extremely excited about what the future holds with TPG and Cencora.

**MAXIMIZING PARTNER VALUE**

With a validated business model, moving into a true growth equity stage places an obligation on OneOncology to deliver as much value to community oncology practices across the country as possible.

Maximizing value to our partners means adding practices to our national partnership footprint and helping our partners grow their groups locally and expand their services outside of the core infusion suite. Whether its improving oral pharmacy operations, adding radiation therapy, lab or imaging services, or enhancing a physician liaison program to grow a practice's reach in the community, OneOncology delivers practices value, which in turn, grows our company.

Maximizing value also means, under Dr. Davey Daniel's leadership, building our clinical technology, precision medicine, and analytics offerings to make it easier for our physicians to deliver the highest quality care possible. We've also bolstered our clinical research offering by hiring Ian Flinn, MD, PhD as Chief Scientific Officer overseeing OneR, OneOncology's centralized clinical trial site management organization. OneR delivers research sites operational and administrative expertise, including handling regulatory and compliance activities, managing patient recruitment, and data collection.

**ADDING TOP EXECUTIVE TALENT**

In 2023, we also added executive talent who are contributing to the value we deliver to our practices. Bringing on a Chief Operating Officer in Todd Stevens, who has 30 years of oncology experience, is invaluable. Oncologists have a specialty mentality. You can't just walk into the field, no matter how smart you are, and understand it. Todd's technical expertise and years of management experience are incredible attributes to share with our partner practices.

As you'll read about in this report, we're already making progress. Under the leadership of Todd, as well as Andy Corts, Chief Technology Officer, and Nirav Shah, Chief Revenue Officer, we have launched a centralized services model to bring our practices revenue cycle management, IT security, and physician credentialing capabilities at a fraction of the cost compared to what any singular practice could get on its own.

Our new chief legal officer is not new to OneOncology. Vinay Bhupathy started his involvement with OneOncology seven years ago at the foundation of our company while working at Sheppard Mullin, bringing him a deep understanding of how our model functions and commitment to supporting physicians and their businesses. Prior to joining us, Vinay was the general counsel for a biotech company. His experience working for a biotech and knowledge of our business model are immense value drivers for practices. Vinay and his legal team bring practices top-notch legal counsel to protect the value oncologists have spent careers creating through breakthroughs and hard work.

**INVESTING IN OUR EMPLOYEES**

With all the success OneOncology has achieved in 2023, I am most proud of our long-term incentive program that allows all our employees to participate in the growth of our equity value. Our employees are our most precious asset, and I couldn't be prouder of the commitment OneOncology is making to our people.

By granting equity to our employees, OneOncology is choosing to invest in our owner-mentality culture. As a physician-led company, we believe in servant leadership, and our employees commit to putting our physician practices first. We are all responsible for carrying forth this culture, which continues to be a differentiator for our platform. I am grateful that our employees will now share as owners in the value they help to create for our physicians, practices, and patients.

Sincerely,

Jeff Patton, MD  
CEO, OneOncology

COO LETTER

# Living the Mission



Dear Partner,

I have always fundamentally believed that everyone should have access to high-quality cancer care and that community oncology is the best path to balance access to vital cancer care across the United States.

From my experience working at MD Anderson Cancer Center early in my career to leading Mary Bird Perkins Cancer Center in Louisiana, I have had the opportunity to work with expert physicians, scientists, and their teams who have collectively contributed to the momentum seen today in improved cancer outcomes.

At OneOncology, that same sense of expectation for improved outcomes drives our mission, along with the exceptional care provided by our practice partners. Since joining OneOncology, I have observed the mission — *Improving the Lives of Everyone Living with Cancer* — being executed

every day. Teams across OneOncology engage in their work with the goal of improving the lives of individuals impacted by cancer. Our unique ability to cultivate relationships with practices, while ensuring that they maintain autonomy to drive clinical care decisions for their patients, is alive and growing.

Contributing to the ever-changing and critical role community cancer care plays in the lives of patients and their families is incredibly rewarding. I'm energized by the collaboration we have with our practice partners and look forward to watching them grow as we work together to expand access to cancer care in communities across the United States.

### PHYSICIAN ENABLEMENT

Oncology practices will continue to face tremendous pressures. Declining Medicare and Medicaid reimbursement, the acceleration of highly managed governmental plans, expanded reporting requirements, workforce changes, and novel therapies have the potential to

disrupt how practices operate today and require them to change in the future. The infrastructure OneOncology has in place accelerates solutions to proactively confront these challenges.

Our investments in pharma optimization, physician recruiting, managed care, physician liaison best practices, a coordinated HR program, legal support for practice operations, an end-to-end revenue cycle management solution, and practice IT support are making a meaningful impact across the network. These services greatly reduce practice costs, which is a key reason why we continue to see OneOncology practices growing into 2024 despite broader market headwinds. And, we have additional initiatives in motion to drive value for practice partners.

Consolidating revenue cycle services across practices will bolster network intelligence, improve our negotiating position with payors, ensure timelier payments, and enhance practice cash flow. OneOncology's IT support model provides prompt issue resolution and significantly reduces cybersecurity risks, safeguarding patient and practice data. These are just a few of the initiatives in place across the OneOncology platform that demonstrate how being part of the network increases the competitiveness of our affiliated practices. I believe that the potential for value creation by sharing solutions for common non-clinical operational costs is vast, and we aim to harness this potential.

### ENABLING INDEPENDENCE

Oncologists should have control over the decisions that directly affect their patients, which is fundamental to fulfilling OneOncology's mission. Our practice partners continue to expand and define how community oncology will advance clinical practice and patient outcomes in the future. We are excited about the future as OneOncology continues to leverage its platform through collaboration with its affiliated practice partners to discover and advance solutions that will drive value for patients, while allowing each practice to independently thrive.

This has been an extraordinary year, and I look forward to working together in 2024 as we continue to advance the mission.

Sincerely,

**Todd Stevens**  
Chief Operations Officer  
OneOncology

### THRIVING INDEPENDENTLY



Scan to watch our *Independence* video and listen to our Practice Partners discuss the significance of maintaining independence within the community oncology landscape.

CMO LETTER

# Harnessing Technology in Cancer Care



Dear Partner,

The mission of OneOncology’s clinical team is to bring forward innovation that makes it easier for our physician partners to practice high-quality care.

In 2023, we continued to build foundational scaffolding to accomplish our mission. We used the expertise of our physicians within the disease groups to build robust clinical pathways for 25 diseases and improved the EHR interface to deliver evidenced-based options to the physician at the time of ordering (Flatiron Assist). The precision medicine program has added services to surface newly identified standards of care (Genomic Lookback) as well as possible trial options (ViTE), and the next step is to integrate this tool within the EHR (ProMPT). Our research program has added technology to both speed the launch of trials as well as ensure quality and consistency through the addition of an electronic regulatory binder and clinical trial management system (CTMS).

The last few years, we’ve invested time and money in gathering information and analytic capability to make good clinical decisions, business decisions, and partnerships with others to address unanswered clinical questions through retrospective analysis and real-world evidence. In 2023, we added expertise in addressing payor quality programs — such as MIPS, EOM, and commercial value-based care arrangements and soon, we plan to add tools that not only aid in strategy but also allow for ease of reporting.

In oncology, we all practice evidence-based medicine, but not every question can be answered by an interventional trial that compares two drugs. In fact, oncologists often face questions for which a trial cannot or will never be designed, such as the optimal sequencing of two newly approved therapies. But with retrospective studies and a richly diverse patient population, OneOncology can study outcomes from real-world evidence and glean insights for how a therapy will perform in patients that are under-represented in the clinical research. The real-world evidence generated by

enabling clinical technology is helping oncologists learn from every patient experience, whether they were enrolled in a clinical trial or not.

### DR. IAN FLINN APPOINTED CHIEF SCIENTIFIC OFFICER

Ian Flinn, MD, PhD has three decades of excellence in clinical research, with most of his experience spent in community oncology, where he has helped develop many important advances to treat hematological malignancies and has also proven that treatment changing research must include community oncology.

A consistent theme through Dr. Flinn’s research is determining how to make clinical trials practical and pragmatic. A physician who still maintains a busy practice, Dr. Flinn understands the importance that the right trial can have for the individual patient. However, to really enhance

OneOncology partner practices’ ability to do research, we must provide additional services that make it easier for a busy clinician to identify the right option. We believe that centralized clinical services such as patient pre-screening for trials, rapid identification and opening of new trials in an accelerated manner, and in the future, even data entry and quality assurance will be pivotal to growth of individual practices’ research offerings and OneR. The increased flexibility that these approaches offer makes it possible to increase our trial offerings, ensure that trials better reflect our patient populations, and ultimately increase the number of patients who find a trial that is right for them.

### LOOKING FORWARD

I’m extremely excited about the year ahead. In 2023 we built a strong foundation of clinical tools to help our physicians continue to practice high-quality care. And in 2024, our focus is now deploying these tools at scale within practice partners’ workflows, making it easier to care for patients.

Sincerely,

Davey Daniel, MD  
Chief Medical Officer  
OneOncology

The last few years, we’ve invested time and money in gathering information and analytic capability to make good clinical decisions, business decisions, and partnerships with others to address unanswered clinical questions through retrospective analysis and real-world evidence.

# Executive Team



**Jeff Patton, MD**  
Chief Executive Officer



**Karen Kizzia**  
Chief Human Resources Officer



**Vinay Bhupathy, JD**  
Chief Legal Officer



**Todd Stevens**  
Chief Operating Officer



**Davey Daniel, MD**  
Chief Medical Officer



**Jimmy Harper**  
Chief Development Officer



**Jon M. Billington**  
Chief Financial Officer



**Andy Corts**  
Chief Technology Officer



**Ian Flinn, MD, PhD**  
Chief Scientific Officer

# Board Members



**Natalie Dickson, MD, MMHC, FACP**  
President and Chief Strategy Officer  
Tennessee Oncology



**Leslie Donato**  
Executive Vice President and Chief Strategy Officer  
Cencora



**Jennifer Dubas**  
Senior Vice President, Chief Compliance Officer  
Cencora



**Senator Bill Frist, MD**  
Retired Surgeon; Cressey & Co. Partner; Frist-Cressey Ventures, Founder/Partner; Former US Senator



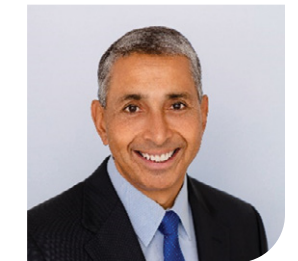
**Kendall Garrison**  
Partner  
TPG



**Jawad Hasan**  
Principal  
TPG



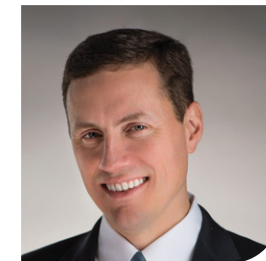
**Edward Licitra, MD, PhD**  
Chairman & CEO  
Astera Cancer Care



**Sharad S. Mansukani, MD, CPE, CMCE**  
Senior Advisor  
TPG



**Jeff Patton, MD**  
CEO  
OneOncology



**John Schilling, MD**  
Partner  
TPG



**David Senior, MPH**  
Senior Vice President, Market Economics  
Cencora

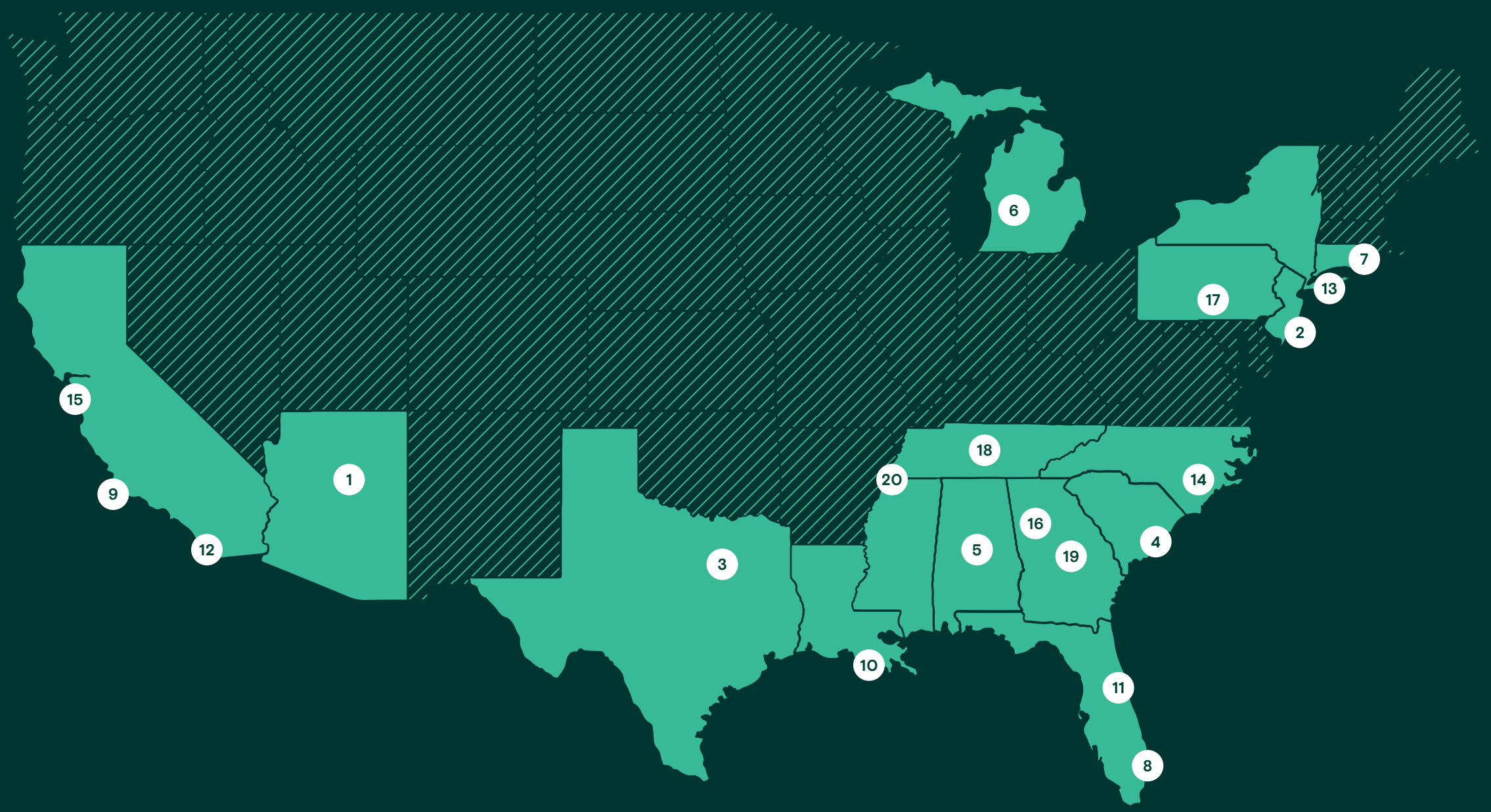


**Jeff Vacirca, MD, FACP**  
CEO  
New York Cancer & Blood Specialists

# OneOncology Across the Country

20 — 1,000+ — 641K+ — 350+  
 PRACTICES PROVIDERS PATIENTS SITES OF CARE

- 1 Arizona Blood & Cancer Specialists
- 2 Astera Cancer Care
- 3 The Center for Cancer and Blood Disorders
- 4 Coastal Cancer Center
- 5 Clearview Cancer Institute
- 6 The Cancer & Hematology Centers
- 7 Eastern Connecticut Hematology & Oncology
- 8 Hematology Oncology Associates of the Palm Beaches
- 9 Los Angeles Cancer Network
- 10 Mary Bird Perkins Cancer Center
- 11 Mid Florida Cancer Centers
- 12 Medical Oncology Associates of San Diego
- 13 New York Cancer & Blood Specialists
- 14 Oncology Specialists of Charlotte
- 15 Pacific Cancer Care
- 16 Piedmont Cancer Institute
- 17 Pennsylvania Cancer Specialists & Research Institute
- 18 Tennessee Oncology
- 19 University Cancer & Blood Center
- 20 West Cancer Center & Research Institute



# OneOncology's Growth

With 5 new anchor practices joining the platform, OneOncology enjoyed a strong year in practice growth. More than 20 OneOncology practices now care for patients in urban, suburban, and rural communities in 16 states.

2018  
2019



2020



2021



2022



2023



TENNESSEE  
ONCOLOGY



Astera  
CANCER CARE

MARY BIRD PERKINS  
CANCER CENTER

HEMATOLOGY ONCOLOGY ASSOCIATES  
OF THE PALM BEACHES

NEW YORK  
CANCER & BLOOD  
SPECIALISTS  
*Conquering Cancer Together™*

THE CENTERTX  
THE CENTER FOR CANCER AND BLOOD DISORDERS

PENNSYLVANIA  
CANCER SPECIALISTS  
Research Institute

MOASD  
Medical Oncology  
Associates of San Diego

Pacific Cancer Care

WEST  
CANCER CENTER  
& RESEARCH INSTITUTE

Los Angeles  
Cancer Network

PIEDMONT  
CANCER INSTITUTE

THE CANCER & HEMATOLOGY  
CENTERS

COASTAL  
CANCER CENTER

ARIZONA  
BLOOD & CANCER  
SPECIALISTS

UCBC  
UNIVERSITY CANCER  
& BLOOD CENTER

ONCOLOGY SPECIALISTS  
OF CHARLOTTE

MID-FLORIDA  
CANCER CENTERS

CLEARVIEW  
CANCER INSTITUTE



# What it Means for Practices and OneOncology's Growth

OneOncology's \$2.1 billion transaction announced in April 2023, less than five years after the company's founding, was immensely validating for the recognition of the value proposition that our company provides to partner practices and that community oncology brings to the healthcare ecosystem.

Multiple large private equity firms and Fortune 50 companies engaged in rigorous financial, operational, and clinical diligence over the course of a six-month transaction process with their conviction in the uniqueness of OneOncology's model, culture, and practice partners increasing at each turn.

Ultimately, our physician-led Board of Managers and management team elected the partners and structure that we believed best positioned our platform for long-term growth and further investments in our physicians. OneOncology continues as an independent, physician-led company, now and in the future, but with the added perspectives, industry knowledge, and growth ambitions of TPG and Cencora.

## IMPACT TO ONEONCOLOGY PRACTICES

TPG and Cencora will continue to push the envelope on making OneOncology the preeminent cancer care delivery platform. Since the transaction, OneOncology has added to its scope of services including centralized IT and Revenue Cycle Management (RCM) support, expanded precision medicine and pathway offerings, and considerable investments in clinical research and new real-world evidence solutions. While many of these investments require capital expenditures in the short term, our investors recognize the long-term benefits of dramatically improving the value we provide to practices year-over-year.

Looking ahead, you can expect OneOncology to build the largest community-based research offering, drive technology innovation to provide clinical decision support to our providers at the point of care, and deliver growing financial uplift to our partner practices.

## IMPACT TO ONEONCOLOGY'S GROWTH TRAJECTORY

Our new investors not only bring incremental capital, but also renewed expectations for OneOncology's growth. Recently, we have managed to grow approximately 40 percent year-over-year in physicians, platform revenue, and earnings. Typically, this growth rate slows as a company matures, but TPG and Cencora are looking to further accelerate how OneOncology grows. We will do this through three avenues:

### 1. Differentiate

Continuing to differentiate our platform to attract leading independent oncology groups and hospital-based providers to OneOncology.

### 2. Invest

Further investing in organic growth within our practices. While our physician recruiting, development, and operational resources are already driving industry-leading growth, we plan to further this through investments in new sites, service line expansion, and local market volume growth through clinical differentiation and physician liaison efforts. Bearing the upfront expense and capital investment for this growth at the OneOncology level enables our physician groups to strengthen their practices for the long term. This both improves patient access and lowers cost by combatting hospital consolidation.

### 3. Develop

Developing new business lines, such as clinical research services and real-world data and evidence offerings. Unlike other companies where these are the sole earnings drivers, OneOncology is investing in these areas to further improve the clinical care and efficiency of our practices. This includes identifying patients for clinical trials, driving quality improvement projects for genomic testing and appropriate precision treatment, and providing our physicians with opportunities to leverage OneOncology's robust data and analytics platform to publish real-world evidence findings.

OneOncology's transaction is truly an inflection point for our company's growth and capabilities that is evidenced by the investments we are making and the renewed energy among our management team and physician partners. This energy will fuel the value that we will create for our practices, our patients, and the broader oncology community over the coming years.



GROWTH

# Expanding and Diversifying Cancer Care Services

In 2023, OneOncology grew faster than it did in previous years. With the addition of Hematology Oncology Associates of the Palm Beaches, Coastal Cancer Center, Pacific Cancer Care, Mid Florida Cancer Center and Clearview Cancer Institute to our platform, OneOncology's reach expanded into three new states and five new markets. These five practices added nearly 125 additional providers to the platform. Including the 210 providers recruited to a OneOncology practice in 2023, our network of providers is now over 1,100 nationwide.

A key factor attracting oncologists to join OneOncology is our high-touch growth support. OneOncology boasts a team of dedicated business development, operations, liaison, recruiting and managed care experts who craft tailored growth plans leveraging various high-quality data sources and market intelligence.

Our approach involves maintaining an understanding of each practice's market dynamics, identifying opportunities, addressing threats and ultimately prioritizing the greatest needs for patients in their communities. Growth efforts progress from ideation to execution through our deployment of both capital and boots-on-the-ground resources. These resources accelerate practice growth, while significantly de-risking it.

In 2023, OneOncology allocated over \$70 million in capital to support the growth of our practices. We prioritized the following growth efforts based on partner practice priorities:

### 1. IN-MARKET MERGERS

OneOncology pays consideration and funds working capital required to support practice growth in markets. Gaining scale within markets enables our practices' ability to expand into ancillary services and supports managed care negotiations. OneOncology streamlines in-market growth by supporting integrations, revenue cycle, accounting, managed care, and other required elements. We take care of the financial and operational intricacies, allowing practices to focus on growth and patient care.

→ +14 In-Market Practice Affiliations

→ +30 Providers

#### PRACTICE SPOTLIGHT

**Genesee Cancer & Blood Disease Treatment Center** in Flint, Michigan joined The Cancer & Hematology Centers, bringing the Western Michigan based practice into a new market as it looks to grow across the Great Lakes State.

**Pacific Cancer Medical Center** in Anaheim joins the Los Angeles Cancer Network (LACN), bolstering LACN's impressive growth from only 11 physicians in 2020 to 23 by end of 2023.

### 2. EXPANSION INTO NEW MARKETS AND SERVICES

OneOncology covers the capital expenditure costs associated with expansion projects. For example, whether a practice aims to enter a new market to address patient needs or seeks to enhance imaging services for an improved patient experience, OneOncology is committed to financing and supporting the development of new sites and services.

→ \$70 million of capital expended on expansion into new markets and services.

→ Across practices, our partners have expanded into more than 10 new specialties, including radiology, lab, physical therapy, rheumatology, primary care, and integrative medicine.

#### PRACTICE SPOTLIGHT

**Astera Cancer Care** added primary care physicians and rheumatologists to continue to provide a high-quality experience to patients across the continuum of care, along with already offering medical oncology, radiation oncology, breast surgery, and interventional pulmonology services.

### 3. PHYSICIAN RECRUITING

OneOncology's comprehensive recruiting team oversees the recruitment process for practices, managing it from start to finish. Additionally, OneOncology's support also extends to financial assistance to our practice partners during a recruited physician's ramp-up period.

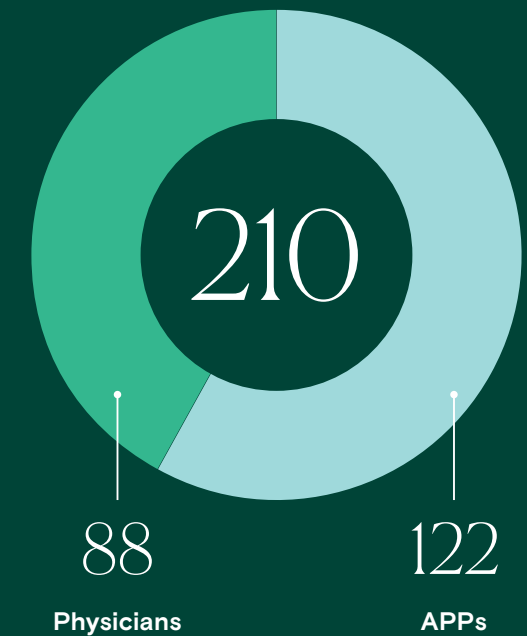
→ Recruited over 200 providers across our practices across over 12 specialties in 2023, ranging from rural Georgia to Los Angeles to Grand Rapids, MI.

#### PRACTICE SPOTLIGHT

**UCBC:** Recruited 16 providers to UCBC across six different specialties, allowing UCBC to build out robust ancillary service lines for improved patient experience.

## ADDING PROVIDERS TO ONEONCOLOGY'S PLATFORM, QUICKLY AND EFFICIENTLY

Total providers recruited in 2023



Average time it takes OneOncology's recruitment team to fill vacancies

82.5 days

Total amount saved in recruitment fees

\$5.4M



TECHNOLOGY

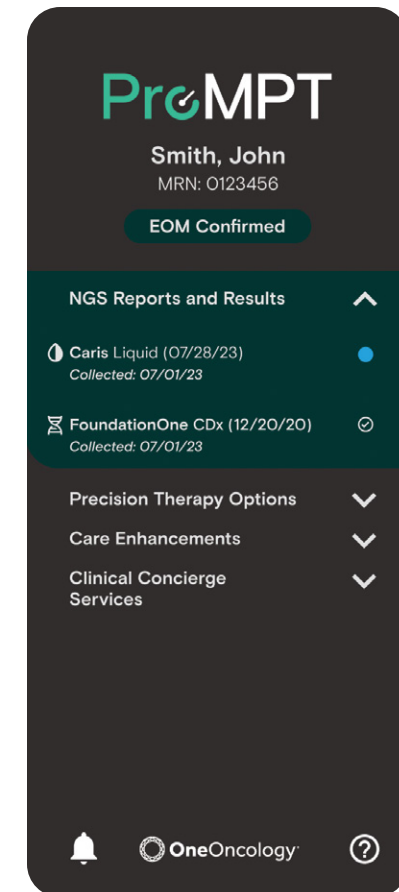
# Clinical Tech Boom

OneR embarked on an ambitious journey in 2023, marked by the selection of a Clinical Trial Management System (CTMS) aimed at enhancing clinical trials operations and streamlining clinical trial enrollment.

OneR announced that Verily's CTMS would be our go-forward standard for the OneR network. Once fully deployed this year, the solution will offer real-time analytics capabilities including patient enrollment tracking and financial management. And once fully integrated with Workday, our CTMS will offer a comprehensive view of study finances, empowering efficient resource allocation, and financial planning.

Complementing this implementation, OneR embarked on deploying Florence, an electronic regulatory binder, across our network. This solution aims to streamline the study start-up process, minimizing administrative hurdles, and elevating the efficiency of compliance documentation for all our studies. By centralizing and standardizing regulatory processes, Florence not only expedites study initiation but also fortifies our commitment to regulatory requirements. Our goal will be to fully deploy Florence in 2024 to all OneR sites.

Looking ahead, we are excited to deploy a new software solution we developed from the ground up called ProMPT. ProMPT is a Google Chrome Extension that is installed within the Google Chrome Browser that we have configured to enable clinician notifications within OncoEMR.



Designed to provide physicians with timely alerts on precision therapy options and pertinent clinical trials, this tool promises to significantly enhance decision-making at the point of care. While currently in its pilot phase, this extension shows promising potential to streamline how physicians access and leverage critical genomic information within OncoEMR. The deployment will empower our clinicians with immediate and targeted genomic insights while enhancing access and communication with our molecular concierge service and hotline.

The integration of these technological advancements underscores our commitment to precision medicine, expanding clinical trial operations, and enabling patient-centered care. 🌟

THREE CENTRALIZED SERVICES

# Increasing Efficiencies and Reducing Expenditures



OneOncology worked throughout the year to continue centralizing services, creating efficiencies for our network. 2023 saw the strengthening of Revenue Cycle Management (RCM), Managed Care, and Information Technology (IT).

## REVENUE CYCLE MANAGEMENT

In 2023 OneOncology launched its tech enabled centralized RCM platform providing practices with the ability to leverage a scalable and consistent solution to meet their RCM needs.

Practices can now centralize their RCM services with OneOncology providing them:

- **Greater flexibility** to avoid staffing shortages and/or dependencies on 3<sup>rd</sup> parties.
- **Access to robust analytics** and insights to drive and improve financial performance and outcomes.

→ **Leverage industry leading technology** such as a centralized Accounts Receivable platform and enterprise-wide Payer Contract and Underpayments solution.

→ **Access to a deep pool of experts** across all areas of RCM – including key functions that often pose challenges for practices such as Authorizations, Radiation Oncology, Eligibility and Benefits Verification.

Over 12 practices have already joined OneOncology’s RCM platform, and each has seen significant improvements, including faster time to payment from payors, improved cash collections, and a reduction in time spent resolving RCM issues. OneOncology will continue to invest heavily in the RCM platform, which will enable practices to leverage more automation, reduce their RCM costs and continue to improve their financial performance.

## MANAGED CARE

OneOncology’s credentialing team grew substantially in 2023, and now serves ten of our practices, including managing their license renewals. The team’s 2024 goals include ensuring all credentialing operations are up and running for physicians and staff, building out KPI’s, creating a reporting package for monthly practice delivery, and exploring delegated credentialing in each market. Additionally, the payor relations team is managing the payor strategy, and solving payor problems for 16 of our practice partners on practice-by-practice basis. Our goal is to drive year-over-year revenue growth and to provide exceptional customer service to our practices.

## INFORMATION TECHNOLOGY

In the pursuit of operational efficiency and IT automation, OneOncology successfully implemented a robust IT Support Model across four clinics in 2023 – Piedmont Cancer Institute, Astera Cancer Care, Pennsylvania Cancer Specialists and Research Institute, and Arizona Blood and Cancer Specialists. This model serves as the cornerstone

of our IT infrastructure, offering a comprehensive suite of services including networking, security, HIPAA audits, and endpoint management. Central to this framework is our utilization of ServiceNow, a powerful platform that enables us to automate and optimize various IT workflows.

**The successful implementation of our IT Support Model has resulted in numerous benefits:**

- **Improved Productivity:** Streamlined workflows and automated processes have significantly increased productivity across clinics.
- **Enhanced Security Measures:** Rigorous security protocols have fortified our systems, ensuring data protection and compliance.
- **Cost-Efficiency:** Volume purchasing, reduced redundancy, and optimized workflows have contributed to cost savings, maximizing resource allocation and utilization. 🌱

# Looking Beyond Private Equity

Redefining private equity in healthcare by debunking myths and evaluating impact the true drivers of success in physician-owned ventures.

There has been headline-grabbing discourse around the ramifications of private equity's involvement in healthcare. This has included academic papers around the impact of private equity on the cost and quality of physician practices, regulatory scrutiny on private equity acquisition, and several high-profile bankruptcies of private equity-backed provider businesses. However, this public discourse is quick to forget that many of the companies that are leading examples of innovation and cost reduction in healthcare were private equity-backed, such as agilon or Oak Street Health.

This overly broad attack on PE-backed healthcare continues despite recognition of the capital and support that independent practices require to grow and thrive in the face of hospital consolidation. This is particularly prevalent in oncology, where hospital profits have been dramatically buoyed by the expansion of Medicare's 340B drug discount program, which is now drawing long overdue bipartisan scrutiny. Therefore, it would be wise for the public debate to look beyond the source of capital and evaluate the true drivers of outcomes in private equity deals: the capital structure, investment thesis, and physician employment model.

## → Capital Structure

The private equity "buyout" model is synonymous with leverage, a financial construct whereby a significant portion of the upfront acquisition price is financed with debt to increase equity returns. The most dangerous perils associated with private equity transactions are associated with patients and caregivers left behind when a private equity-backed company enters bankruptcy because it cannot meet its debt obligations. Also insidious are short-term tactics that companies may take to increase earnings and cash flow, such as staffing reductions, price increases, or restraining of investment, which are often associated with private equity-backed companies but are more indicative of highly levered companies looking for financial arbitrage as opposed to durable platform growth.

Contrary to popular belief, private equity and growth equity have been instrumental in the success of OneOncology and many other healthcare companies. One key difference is that these companies, including agilon and Oak Street highlighted above, were funded predominantly with equity capital, where the only path to strong returns was meaningful growth in revenue, earnings, and platform scale — all investments that require a long-term perspective and additional capital.

## → Investment Thesis

This growth mindset leads into the next key differentiator among private equity-backed deals: The investment thesis. OneOncology was founded based on the thesis that community oncology delivered meaningful improvements in cost and quality relative to hospital-based care, but independent practices required capital and enhanced capabilities to survive and grow.

As opposed to a focus on growth, value creation levers such as rate increases, cost reductions, and "multiple arbitrage" — aggregating physicians at lower acquisition multiples than a consolidated company would be valued at — are the primary drivers of the negative impacts to cost, quality, and access that some too quickly associate with all private equity-backed transactions.

These investment priorities may be more challenging to identify upfront, but rather than regulating private equity transactions in healthcare, it may be worth evaluating the benefits of regulations around the extent of capital investments or Research & Development spending post-acquisition for private equity-backed companies.

Under OneOncology's model, and many other companies that have received investment from private equity firms, practices remain fully independent but gain access to growth capital, back-office efficiencies, and specialized expertise.

## → Physician Employment Model

A third key variable to evaluate is the physician employment model of private equity-backed companies. Employment models where physicians sell the equity stake in their practice as well as a meaningful share of their earnings run counter to the benefits of independent practice that physician-enablement companies such as OneOncology, agilon, and many other PE-backed organizations promote. Moreover, when physician practices sell a large percentage of their earnings in a private equity transaction it becomes challenging to make growth-oriented investments, including recruitment of new physicians, leading to some of the perils noted in prior sections.

On the contrary, under OneOncology's model, and many other companies that have received investment from private equity firms, practices remain fully independent but gain access to growth capital, back-office efficiencies, and specialized expertise, particularly in areas strongly supported by public and government coalitions, including clinical quality, analytics, and value-based care.

In conclusion, it is critical to acknowledge the negative ramifications of actions taken by private equity-backed healthcare companies. However, painting a broad brush to vilify all forms of private equity and constrain the capital that these firms can deploy in the healthcare sector would cut off the positive impact that OneOncology and numerous other mission-driven companies create by keeping physicians independent, growing access, reducing cost, and improving quality and patient outcomes. Restrictions would further advantage monopolistic health systems that have no dearth of capital or appetite to continue acquiring independent physician practices and driving up cost for all consumers. 🌱



ENHANCING CANCER CARE

# OneOncology & Mary Bird Perkins Partnership

Mary Bird Perkins Cancer Center, the leader in Louisiana’s cancer care landscape since 1971, embarked on a transformative journey in 2021 by affiliating with OneOncology. This strategic alliance, aimed at bolstering community-based cancer care across Louisiana and beyond, expanded the Center’s reputation for excellence into new areas of oncology care.

“The OneOncology | Mary Bird Perkins partnership has accomplished a significant amount in a short time,” said Jonas Fontenot, PhD, MBA, President and CEO, Mary Bird Perkins Cancer Center. “OneOncology has brought immense resources to the partnership,

supporting our growth into new services and allowing Mary Bird Perkins to focus on what our team does best: providing compassionate, comprehensive cancer care.”

Mary Bird Perkins leveraged its extensive experience and regional partnerships, attracting medical oncologists and other providers to broaden its service offerings. OneOncology’s Integrations Team swiftly connected with the Cancer Center, helping facilitate a seamless transition within four months.

ELEMENTS OF SUCCESS

→ **Integrations Expertise:** OneOncology’s team tailored comprehensive integrations plans and closely collaborated with Mary Bird Perkins’ leadership.

→ **Preferred Partnerships:** Leveraging relationships with Flatiron Health expedited EMR setup and ensured timely access to essential equipment and supplies.

→ **Platform Offerings:** OneOncology’s integrated platform provided support across HR, finance, marketing, and business development.

→ **Future Direction:** The partnership positions OneOncology as a key ally in Mary Bird Perkins’ mission to improve survivorship and lessen the burden of cancer. The center’s agility, bolstered by OneOncology’s support, enables the Cancer Center to expand services independently or through hospital collaborations, fostering consistent patient journeys.

→ **Expanding Services:** With OneOncology’s assistance, Mary Bird Perkins has diversified its offerings along the cancer care continuum, including the establishment of a new lab, and medically integrated specialty pharmacy dispensing.

→ **Backbone Services:** OneOncology’s expertise extends beyond operational support to optimizing revenue cycles, enhancing payor negotiated rates, legal assistance, and facilitating the addition of new physicians and advanced clinical services like precision oncology and theranostics.

In essence, the Mary Bird Perkins | OneOncology partnership epitomizes a commitment to advancing cancer care excellence and empowering communities with accessible, first-class services tailored to patients’ needs. ○

POLICY

# How Public Policy Impacts Community Oncology

2023 stood out as one of the most active for oncology policy in decades. While there is much work ahead, oncology issues are now firmly in the focus of both federal and state governments.

Before delving into specific issues, it's crucial to acknowledge the vast differences between the world of oncologists and policymakers. Oncologists are trained in the scientific method, which usually progresses linearly. Oncologists are accustomed to drug trials that move predictably from phase one to phase two, to phase three, and then potential drug approval. Politics, by design, operates differently. The system of checks and balances often results in initiatives being tossed back and forth before finally becoming law. Initiatives can jump from "phase one" to "phase three" and then revert to "phase two" on their way to becoming law. Those engaging with policymakers must adapt to this markedly different process, which demands patience.

OneOncology invests heavily into advocacy efforts to shape national and state level oncology issues. Private oncology practices compete directly with other oncology care models. These models, such as non-profit hospitals, operate under vastly different payment arrangements. Over the past two decades, the divergence of these payment models has shifted care from the more efficient, lower cost community setting to the less efficient, more expensive hospital setting. Policy decisions in Washington, D.C. and in state capitals are a major reason why care has shifted to hospitals. Reversing this trend requires community oncologists to remain active in policy debates and educate lawmakers about the high-value care that is delivered in our clinics daily.

## SCRUTINY OF INDEPENDENT PHYSICIAN PRACTICE MODELS

Recent state and federal policy actions reflect an accelerating wildfire of scrutiny on private capital in healthcare, many of which directly target the OneOncology business model. This growing trend throughout 2023 has underpinned the importance of building the fire station before the fire breaks out, which requires investing time,

OneOncology invests heavily into advocacy efforts to shape national and state level oncology issues. Private oncology practices compete directly with other oncology care models. These models, such as non-profit hospitals, operate under vastly different payment arrangements.

effort, and funding in the various mechanisms of effective advocacy. For example, OneOncology has become a founding member of the American Independent Medical Practice Association (AIMPA), for which Dr. David Eagle serves as Vice President. In addition, new state-level independent practice associations have been forged to educate policymakers on the how critical private capital-backed Management Service Organizations (MSOs) like OneOncology can buffer against recent trends in unrestricted hospital consolidation.

We should acknowledge that there have been bad actors (including some private equity-backed MSOs and non-profit hospitals alike) that deserve scrutiny for increasing the cost of care without measurably improving quality, access to care, or patient satisfaction. However, the credibility that OneOncology and its practices have built on other policy issues is helping differentiate OneOncology as a positive example of use of private capital in healthcare. This differentiation will help us and the AIMPA to educate policymakers on how private capital can play a constructive role in helping independent practices improve patient care through access to clinical trials, use of precision medicine tools, technology, and analytics that drive quality improvement.

## MEDICALLY-INTEGRATED DISPENSING

2023 was a big year for medically-integrated dispensing. This term highlights the difference between how patients get drugs from an oncology office compared to how they receive therapies from a pharmacy benefit manager. Oncology practices know the patient. The pharmacy team has real-time access to the EMR, which includes the labs and physician notes. Oncology practices understand that medications such as TKIs are not the same as blood pressure or cholesterol medications. Toxicity is common, and good medical practice often requires holding medications and/or adjusting the dose. PBMs do not know the patient or when their clinical situation changes, frequently sending 90-day supplies of medications — which often require dose adjustment. This is bad medicine and wasteful.



Regrettably, CMS failed to grasp this difference and disallowed drug mailing by oncology practices to patients through an unusual FAQ earlier this year. This decision represents not only poor policy, but also a flawed rule-making process. CMS's stance makes it more challenging for frail patients, especially in rural regions of the country, battling cancer to access their medications. The Community Oncology Alliance responded with a lawsuit, and Congress followed suit with a letter to CMS — culminating in a closed-door session between congressional members and CMS officials.

OneOncology practices responded to Dr. Patton's call-to-action to support a bill moving through Congress to reverse this policy. This was the first grassroots mobilization effort by OneOncology physicians, and it was a tremendous success. Over 150 OneOncology physicians reached out to their Representatives and Senators. Well done team! Although CMS appears entrenched in its position, the pressure to reconsider continues to mount. This battle will persist into 2024, with potential solutions including CMS rescinding its position, the lawsuit prevailing, or the passage of legislation explicitly permitting drug mailing by practices.

On more positive news, the House of Representatives passed major legislation establishing PBM transparency. This is a big step for an institution that struggled to understand PBMs just five years ago. While this legislation still needs to move through the U.S. Senate, the committees of jurisdiction have already been drafting their own transparency legislation.

### 340B REFORM

There has been increasing scrutiny of the unintended consequences of the 340B program on Capitol Hill throughout 2023. In July, a bipartisan committee investigating these adverse consequences of the program issued a formal Request for Information from stakeholders regarding a reasonable policy

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pathway for aligning the program to its original intent of supporting underserved communities. OneOncology was one of very first respondents to RFI, giving us a significant boost in credibility and influence on the issue. Several Senators are working on legislation that they may introduce in 2024 based on the OneOncology response to the Senate RFI.

### DRUG SHORTAGES

Throughout the dire period of drug shortages in 2023, OneOncology has been an important voice in the national conversation of much needed federal policy to prevent this continually recurring problem. The publication of Dr. Kristen Rice's Op-Ed on this issue in June spawned a fury of print and podcast media attention on the problem and potential policy solutions. To be fair, drug shortages have been a recurring problem over the past several decades, the root causes of which are systemic and multifactorial. However, a fundamental cause-and-effect relationship remains: The economics of the supply chains for these drugs lack adequate incentives needed to establish resiliency in the face of inevitable supply chain disruptions. Federal and state policies have allowed unconstrained health plans and PBMs to negotiate prices down to a level in which the

economic model and regulatory frameworks that underpin these supply chains prevent the resilience that we need to avoid shortages. This creates a paradox relative to policymakers stated intentions to reduce our healthcare system's exposure to drug shortages while reducing the cost of drugs.

### HOW TO GET INVOLVED

The progress we made in 2023 is due to the involvement of our physician partners who've made their voices heard in Washington, D.C. and state capitals. Legislators must hear from those on the front lines of healthcare delivery. There are several concrete ways in which OneOncology supports its practice partners in advocacy initiatives for those who choose to get involved. OneOncology practice partners are encouraged to take the following steps:

- **Join** local professional associations, such as your state oncology society, and participate in local professional association advocacy initiatives.
- **Submit** Op-Eds on key policy topics pertaining to issues facing our practices.
- **Attend** OneOncology Hill Day meetings and meet with members of Congress in their districts.
- **Join** the quarterly OneCouncil Advocacy Committee calls.

OneOncology physicians and practice team members can email [Aaron.Lyss@OneOncology.com](mailto:Aaron.Lyss@OneOncology.com) or [David.Eagle@nycancer.com](mailto:David.Eagle@nycancer.com) to learn more about getting involved. 🗨️

## GET INVOLVED BY:



Joining Local Professional Association



Submitting Op-Eds on Key Policy Topics



Attending OneOncology Hill Day meetings



Joining the Quarterly OneCouncil Advocacy Committee Calls






2023 EVENTS RECAP

# Bringing Physicians Together

In 2023, OneOncology launched a quarterly meeting series, the **OneOncology Leadership Summit**, to bring together physicians and practice leaders to discuss the latest clinical and business trends in community oncology.

At each event, physicians, healthcare professionals, practice leaders, and oncology experts come together to network, learn, and enjoy what each city has to offer. The regional leadership summits provide a more intimate experience — allowing physician leaders to experience the fellowship that comes with peer-to-peer interactions.

Our annual capstone event, the **OneOncology Annual Conference**, brings hundreds of physicians together in our hometown of Nashville for two and a half days of content — covering the latest in clinical updates, policy, and payor actions. These sessions highlight the clinical innovation within OneOncology, featuring updates on our robust pathways programs and practical treatment guidance from disease group experts.

At an amazing kick off to the 2024 Leadership Summit series, in Los Angeles this past January, our physicians heard from panels discussing the intricacies of the California payor market, the importance of genetic testing, and bringing CAR-T programs to the community. The remaining meetings in this year's Leadership Summit series are sure to deliver similar value to our physicians, providers, and practices. 

1,100

TOTAL  
ATTENDEES



73

TOTAL  
SPEAKERS

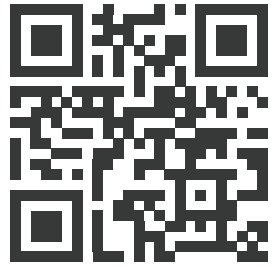


33

TOTAL  
SESSIONS



# Digital Resources



## Read

Scan to read OneOncology Annual Report 2023 online.



## Watch

Scan to watch our *Practice Independence* video.



## Listen

Scan to listen to what our partner practices say about why they joined OneOncology.

