

What price for a year of life? Cancer specialists offer contradictory advice

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Cancer doctors prescribe medicines with little consideration of the cost, meaning they don't demand any more benefit (in months of survival) from a very expensive drug than from a less expensive one, a new research report says.

Peter Ubel, a physician and behavioral scientist who teaches marketing at Duke University's Fuqua School of Business, conducted the research with a team of co-authors from the U.S. and Canada. The research results appear in the April issue of <u>Health Affairs</u>.

"For patients battling cancer or consumers faced with the very real prospect that they may one day contract the disease, it may be reassuring to know that oncologists aren't basing their recommended treatments on the price of the medicines," Ubel said.

"But insensitivity to prices may contribute to the ever-escalating costs of new cancer medicines," Ubel added. "If oncologists' expectations of a treatment don't rise in accordance with the price of the treatment, the pricing of these drugs will be skewed. This can lead to very expensive, ineffective medicines."

The researchers surveyed 1,389 members of the <u>American Society of</u> <u>Clinical Oncology</u> in the U.S. as well as English-speaking oncologists in Canada, presenting scenarios aimed at gauging how much benefit oncologists believe new treatments need to provide in order to justify the costs of these treatments.



The survey presented a hypothetical new <u>chemotherapy</u> drug and asked oncologists how much benefit -- in terms of life expectancy gain -- the drug would need to provide to warrant its use.

"When presented with general hypothetical questions about the cost effectiveness of medicines, more than two-thirds of respondents said treatments costing greater than \$100,000 per year of life were not good value for money," Ubel said. "But this attitude contradicts their answers to our survey questions about a specific clinical scenario, when <u>oncologists</u> endorsed spending several hundred thousand dollars per life year gained. In other words, they are sensitive to price in the abstract, but they abandon their notions of a price threshold when considering treatment for an individual patient."

The researchers suggest the medical field must improve the way physicians consider the economic consequences of their clinical decisions and develop ways to ensure medical treatments bring appropriate value for their costs.

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