

Radiation costs vary among Medicare patients with cancer

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Cost of radiation therapy among Medicare patients varied most widely because of factors unrelated to a patient or that person's cancer, report University of California, San Diego School of Medicine researchers in the *Journal of Oncology Practice*.

Year of diagnosis, location of treatment, clinic type and individual radiation provider accounted for 44 to 61 percent of the variation in cost for patients with breast, lung and prostate cancer therapies, according to the study published August 11 online. Factors associated with the patient or patient's tumor accounted for less than 3 percent of the variation in the cost of <u>radiation therapy</u>.

"We found that variability in Medicare reimbursement for radiotherapy does not depend on individual characteristics of patients or their cancers," said James Murphy, MD, assistant professor at UC San Diego School of Medicine and radiation therapist at Moores Cancer Center at UC San Diego Health. "Rather, reimbursement was tied to the provider, geography and technology used to treat patients. This strongly suggests inefficiency within the current Medicare reimbursement framework for radiation therapy."

Up to two-thirds of patients with cancer receive radiation therapy. Researchers focused on breast, prostate and lung cancers because they represent the most common malignancies treated with radiotherapy.

The cost of radiation therapy was estimated from Medicare



reimbursements for outpatient radiation treatment. The total cost of radiation therapy for the 55,288 patients in the study was estimated to be more than \$831 million.

"Understanding why <u>costs</u> vary for radiation therapy helps policy makers evaluate the efficiency of the current fee-for-service Medicare reimbursement system. Such insights are likely to shape policy reforms in the near-future," said Anthony Paravati, MD, first author of the study.

The authors acknowledge that the study does not consider the relationship between cost of <u>radiotherapy</u> and quality of care, therefore higher cost radiation could lead to higher quality <u>radiation</u>. The link between cost and quality of care represents a future research question the authors hope to answer.

Provided by University of California - San Diego

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