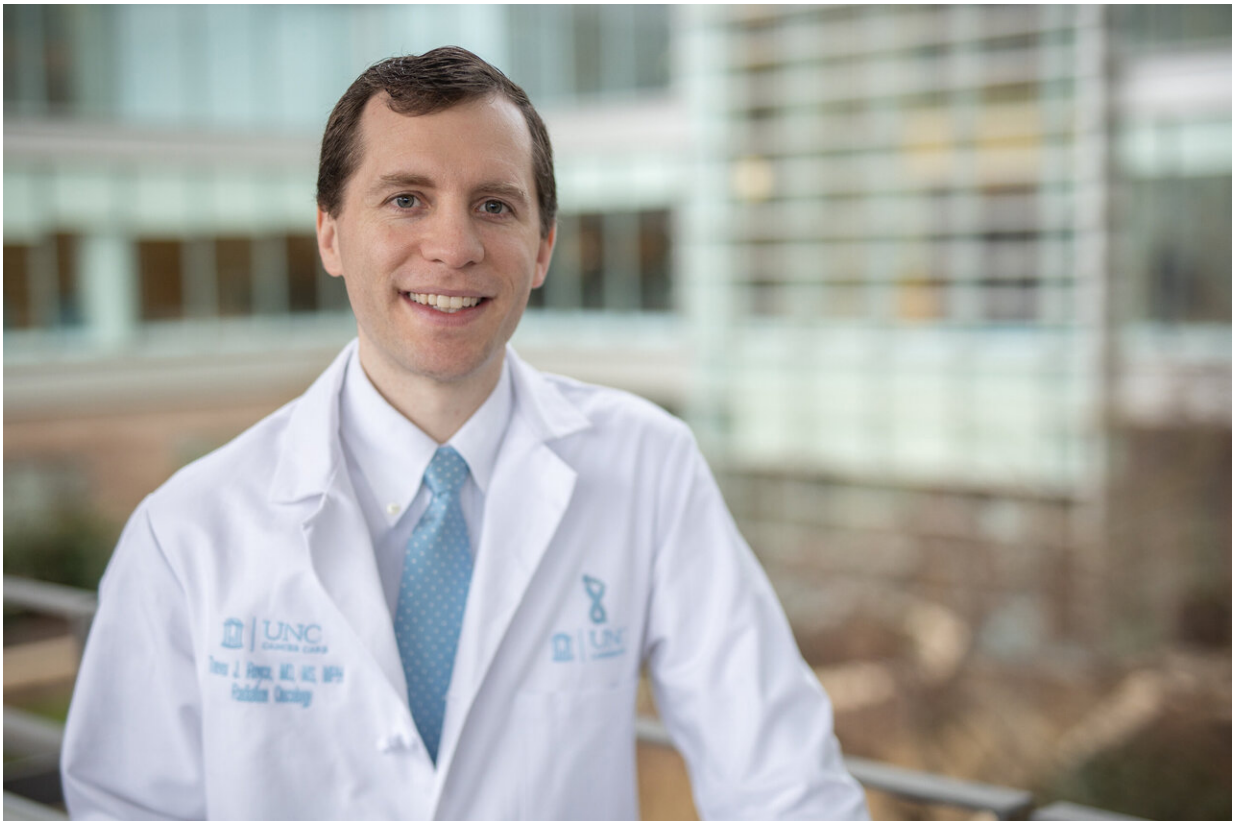


Comparing cancer costs is challenging, despite new price transparency rules

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UNC Lineberger's Trevor Royce, MD, MS, MPH, is author of a study that found a federal rule that requires hospitals to publicly list standard charges for services and procedures does not facilitate comparison shopping for a standard radiation treatment for prostate cancer at National Cancer Institute-designated cancer centers. Credit: UNC Lineberger Comprehensive Cancer Center

Comparison shopping for airfare, a TV or a car can be straightforward online. The same cannot be said for checking what hospitals charge for a standard radiation treatment for prostate cancer, according to a report published in *JAMA Oncology*.

Trevor Royce, MD, MS, MPH, of the University of North Carolina Lineberger Comprehensive Cancer Center, is the corresponding author of a study that investigated whether a federal rule that requires hospitals to publicly list standard charges for services and procedures—the foundation of price transparency—would enable people to compare prices for care provided at National Cancer Institute-designated [cancer](#) centers.

The researchers searched the websites of 63 NCI-designated cancer centers for the listed cost for simple intensity-modulated [radiation therapy](#) (IMRT) for [prostate cancer](#), and discovered the information was not consistent or was missing altogether.

While 52 centers, or 83 percent, published the cost, three did not list a cost for a simple IMRT, and eight did not publish costs for any procedure.

In addition, the costs published varied greatly, they were listed for a single procedure and not the entire course of care, and the average price was 10 times the Medicare reimbursement rate. There also wasn't any information provided on discounted rates that private insurance companies may have negotiated.

Royce said the lack of common terminology, unbundled cost reporting, the wide range in pricing from center to center, listing of non-negotiated rates limits the information's value, especially when a person is trying to estimate or compare the cost of care.

"Achieving price transparency can be an important step in helping patients and providers understand potential financial liabilities as it relates to [health care](#)," said Royce, who is an assistant professor of radiation oncology at the UNC School of Medicine. "How can consumers and providers be expected to make informed decisions, such as pursuing high-value care, if they do not know the costs?"

Price transparency is seen by some as an approach to address the high cost of care. Knowing the cost would make it possible for a person to budget better for the expense, to apply for assistance when available, to discuss costs with a physician and compare what other hospitals charge.

"Providing cost data that is easy to understand and consistent from one [hospital](#) to the next is an important step in helping people to make informed decisions about their care and the associated costs," said Ankit Agarwal, MD, MBA, the paper's first author and co-chief resident of radiation oncology at the UNC School of Medicine. "This information also may lead to a more competitive health care marketplace, which could drive down [costs](#) if hospitals compete for patients."

Previous studies have found that [medical expenses](#) cause financial distress in one in three Americans, and patients with cancer are twice as likely to file for bankruptcy than patients who don't have cancer.

Royce said a new set of price transparency rules the Centers for Medicare and Medicaid Services released in November may address some of the shortcomings the researchers outlined in their study. Included in the new rules is a requirement for hospitals to publicly post both standard charges for specific services and the actual [prices](#) they have negotiated with private insurers.

"This has the potential to be a much more impactful step in achieving health care price transparency, but it is not clear when this will be

implemented, as several hospital groups have filed a lawsuit against the U.S. Department of Health and Human Services in federal court regarding this rule," said Royce.

Provided by UNC Lineberger Comprehensive Cancer Center

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