Medical Xpress

Study: Immunotherapy costs drive increase in Medicare spending for outpatient cancer care at the end of life

February 27 2023

Credit: Pixabay/CC0 Public Domain

A new study finds that recent increases in Medicare spending on outpatient cancer care at the end of patients' lives were driven almost

entirely by a type of treatment given to fewer than 1 in 5 patients. The study is published in the *International Journal of Radiation Oncology • Biology • Physics*.

For people with cancer, outpatient care typically accounts for 60-70% of health care costs in the last six months of life. Analyzing Medicare Part B claims data for 84,744 beneficiaries, researchers found that spending for this type of care rose 12% from 2015 to 2019, and that payments for immunotherapy drug costs accounted for 84% of the net increase.

"Our study is the first to quantify trends in utilization and cost across the different types of outpatient cancer services for Medicare beneficiaries who are at the end of life," said lead author Constantine Mantz, MD, FASTRO, a radiation oncologist and Chief Policy Officer for GenesisCare. "We found that the growing use of immunotherapy agents led to an outsized acceleration in costs for this group."

Payments related to drug therapies—immunotherapy, hormonal therapy, chemotherapy and ancillary drugs—rose 30% during the study period. In contrast, payments for radiation oncology, which is the other primary modality in palliative cancer care, decreased by 2%. Palliative care, also known as supportive care, is prescribed to relieve pain and other difficult symptoms for people with serious illnesses, including cancer.

The small drop in radiation oncology spending likely reflects the field's movement toward hypofractionated, or accelerated, radiation treatments, explained Dr. Mantz. This type of therapy involves fewer individual treatment sessions, which lowers costs.

"As a result of hypofractionation, we saw a net decrease in expenditures related to radiation therapy, even though the proportion of patients who received this treatment remained the same," he said. "We don't see that with drug therapy—instead, we see a large net increase."

The use of immunotherapy in the end-of-life setting can be controversial, said Dr. Mantz, because of its risk of side effects, as well as higher costs.

"If the trade-off for side effects and higher costs is improved survival and quality of life, then I'm entirely supportive. We can argue about what the price may be, but I don't think we can argue about the net benefit provided to the patient in terms of their overall health," he explained.

"What can be problematic is the continued use of a treatment that imposes some meaningful risk of side effects for patients approaching the end of life. We have to get better at recognizing who those patients are near the end of life and, when appropriate, transitioning them to less risky, less expensive therapies."

More effective metrics are needed to help doctors better identify these patients, said Dr. Mantz, as is better communication between doctors and patients with a terminal illness about end-of-life care options, including palliative as well as hospice care programs.

Forthcoming changes to the way Medicare negotiates drug prices may also help reduce costs, the study authors note. The recent passage of the Inflation Reduction Act grants the Centers for Medicare and Medicaid Services (CMS) greater bargaining power with manufacturers, in an effort to tamp down escalating drug costs. Expanding the use of biosimilars for anticancer drugs may also offer an opportunity to lower medication costs.

More information: Constantine A. Mantz et al, Recent Trends in Medicare Payments for Outpatient Cancer Care at the End of Life, *International Journal of Radiation Oncology*Biology*Physics* (2023). DOI: 10.1016/j.ijrobp.2023.01.005

Provided by American Society for Radiation Oncology

Citation: Study: Immunotherapy costs drive increase in Medicare spending for outpatient cancer care at the end of life (2023, February 27) retrieved 26 April 2024 from https://medicalxpress.com/news/2023-02-immunotherapy-medicare-outpatient-cancer-life.html

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.