Spending on compounded drugs skyrocketing
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Spending on compounded medications increased from $2.35 million in fiscal year 2011 to $214 million in fiscal year 2015.

"While legitimately prescribed compounded drugs can dramatically improve a patient's quality of life, it is also important to have proper controls around billing," John Voliva, R.Ph., executive vice president of the International Academy of Compounding Pharmacists, said in a written statement.

More information: More Information

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(HealthDay)—Government spending on compounded drugs has skyrocketed, raising concerns of fraud and overbilling, according to a report published by Kaiser Health News.

Spending on compounded medications increased 56 percent last year. Some of the most expensive products included topical pain creams, which were priced at hundreds or thousands of dollars per tube. Topical creams and gels, which are often used for pain, are the fastest growing category of compounded drugs, with a 3,466 percent increase in spending on these in the Medicare program since 2006.

The number of Medicare beneficiaries getting compounded drugs has increased 281 percent since 2006, to nearly 280,000 in 2015. In Medicare's Part D, spending on such drugs increased 625 percent from 2006, to $509 million in 2015. There was also an increase seen in the federal government's worker's compensation program, which includes the Postal Service.