

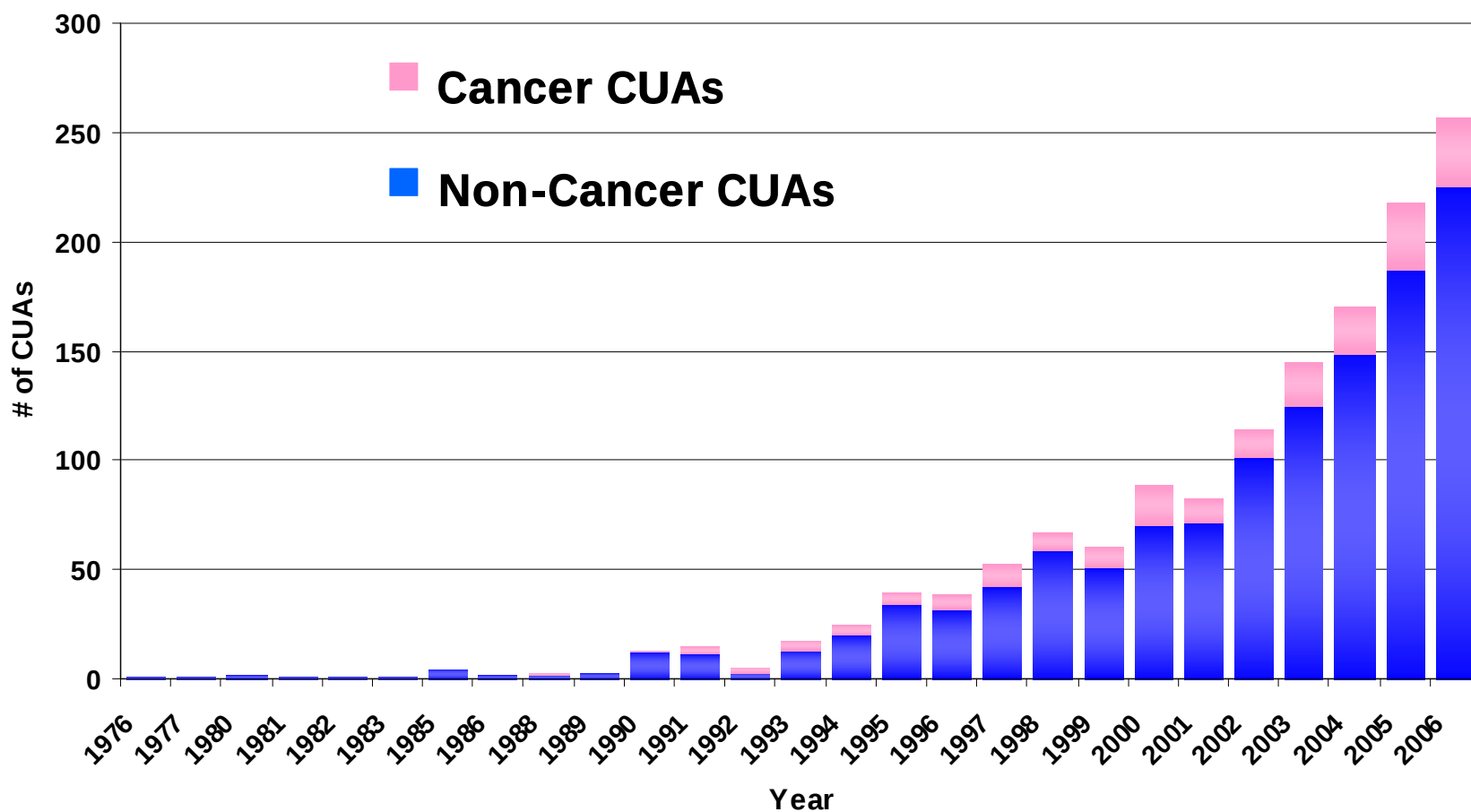
Oncologists' Attitudes on the Costs of Cancer Care

February 9, 2009

Peter J. Neumann

**Center for the Evaluation of Value
and Risk in Health
Institute for Clinical Research and Health Policy
Studies, Tufts Medical Center**

Published Cost-Utility Analyses (CUAs) in Oncology



Source: Tufts Cost-Effectiveness Analysis Registry, www.cearegistry.org.

To what extent are oncologists influenced by cost in their treatment recommendations?



The Oncologist[®]

Commentary

Do Oncologists Believe New Cancer Drugs Offer Good Value?

ERIC NADLER,^a BEN ECKERT,^b PETER J. NEUMANN^b

^aDana-Farber Cancer Institute/Harvard Medical School, Boston, Massachusetts, USA;

^bTufts-New England Medical Center, Boston, Massachusetts, USA

Key Words. Health policy • Cost-benefit analysis • Chemotherapy • Health care economic

LEARNING OBJECTIVES

After completing this course, the reader will be able to:

1. Describe how academic oncologists view the costs of new treatments in their treatment recommendations.

Survey Population

- ▶ 139 oncologists at two academic medical centers
 - 90 respondents (65% response rate)
- ▶ Characteristics of Sample Population
 - ▶ Active research role
 - ▶ Early adopters
 - ▶ Patients have more advanced disease
 - ▶ Insulated from therapy costs

“Every patient should have access to effective cancer treatments regardless of their cost.”

Agree

77.5%

Disagree

14.6%

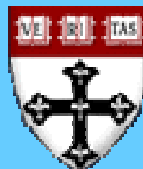
Unsure

7.9%

n = 89



MASSACHUSETTS
GENERAL HOSPITAL



DANA-FARBER
CANCER INSTITUTE

“The costs of new cancer drugs currently influence your decisions...”

Agree

30.0%

Disagree

58.9%

Unsure

11.1%

n = 90

“Patient ‘out-of-pocket’ therapy costs
influence your decisions...”

Agree

81.1%

Disagree

15.6%

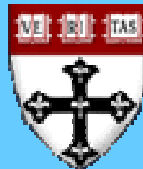
Unsure

3.3%

n = 90



MASSACHUSETTS
GENERAL HOSPITAL



 **DANA-FARBER**
CANCER INSTITUTE

“In the next five years, costs of new cancer drugs will impose a need for greater rationing in oncology care.”

Agree

71.1%

n = 90

Disagree

16.7%

Unsure

12.2%

Hypothetical Scenario

Imagine a new cancer medication for treatment of metastatic lung cancer that on average **costs \$70,000 more** than the standard of care...

At what **minimum improvement** in overall survival would you prescribe the new medication instead of the standard of care treatment?

1 day

1 week

1 month

2 – 4
months

4 – 6
months

6 – 9
months

9 – 12
months

1 year+

$$ICET = \frac{\Delta Cost}{M\Delta LY}$$



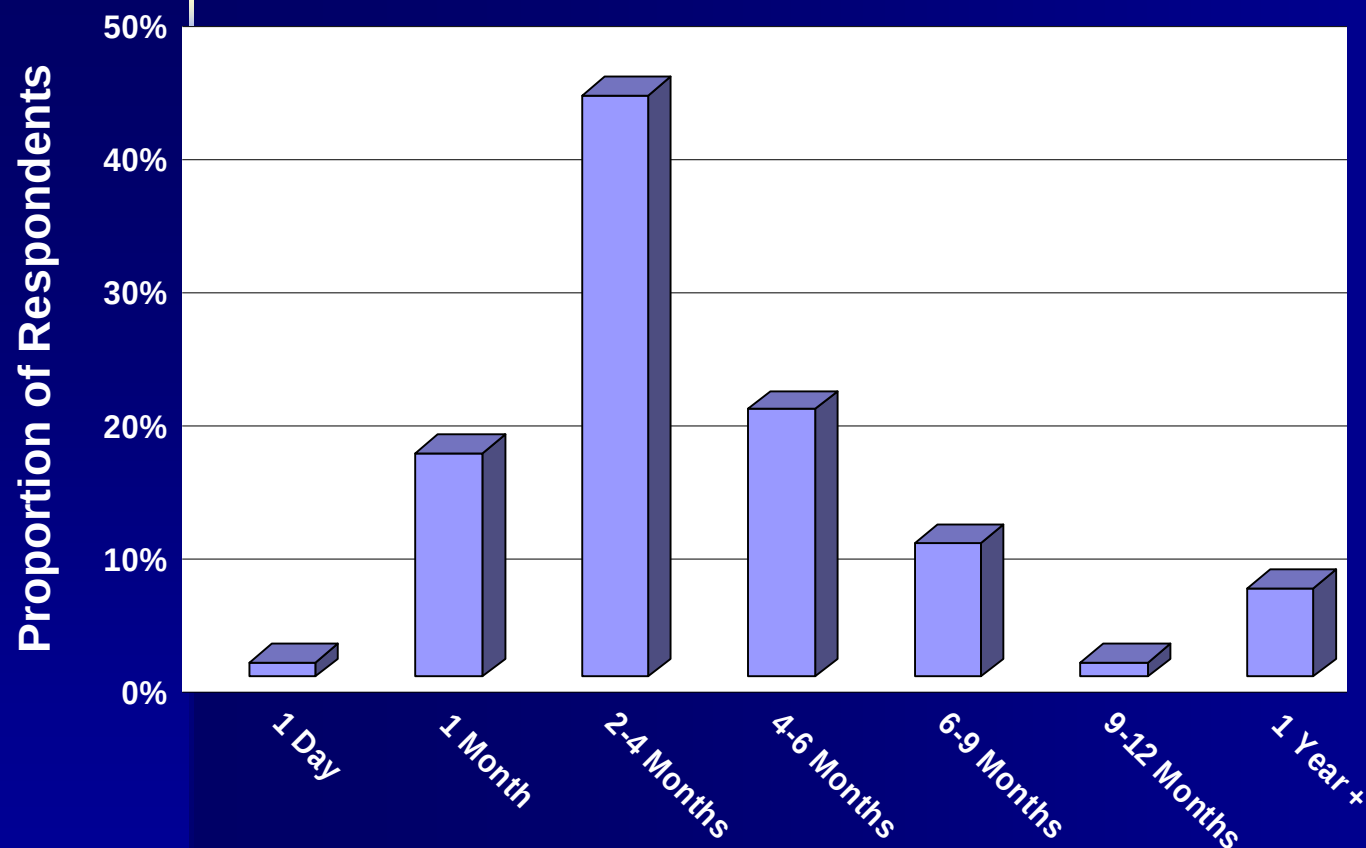
\$70,000

$\left(\frac{3 \text{ months}}{12 \text{ months}} \right)$

= \$280,000

Hypothetical Scenario

Minimum Survival Benefit to Justify Incremental
Expense of \$70,000



Mean Implied Cost-
Effectiveness
Threshold:
\$318,773 / LY

Conclusions from Nadler et al., 2006

- ▶ Oncologists' cost-effectiveness thresholds for new cancer therapies are high
- ▶ Oncologists conflicted about role of costs in their practice
- ▶ Oncologists predict costs will play a larger role in their practice in the next five years
- ▶ Oncologists are unsure whether expensive new therapies offer “good value for money”