

Pay Method Said to Sway Drug Choices of Oncologists

By REED ABELSON

The way cancer doctors are paid may influence the choice of drugs they use in chemotherapy, a study published yesterday has concluded.

Payment methods do not seem to affect whether doctors favor chemotherapy over other treatments, the study's authors said. But once they decide to use chemotherapy, the current payment system appears to prompt some doctors to use more expensive drugs, the study found.

"Providers who were more generously reimbursed," the authors wrote, "prescribed more costly chemotherapy regimens to metastatic breast, colorectal and lung cancer patients." The study, by researchers from the University of Michigan and Harvard University, is published in the current issue of the academic journal Health Affairs.

Unlike other physicians, a cancer doctor can profit from the sale of chemotherapy drugs in a practice known as the chemotherapy concession. These doctors are paid for the cost of the chemotherapy drugs given intravenously in their offices — even though they frequently purchase the drugs at lower prices than the amounts they are paid in insurance reimbursements.

One government study said that cancer doctors, or oncologists, were receiving discounts as high as 86 percent on some chemotherapy drugs. The doctors then pocketed the difference.

While critics say this creates a potential conflict of interest among oncologists advising patients on treatment, the doctors have said the profit is needed to pay the high cost of running their practices. They also have said the revenue allows patients to be treated in their offices rather than in a hospital, which is more expensive and less convenient to patients. But some insurers, including Medicare, the federal insurance program for the elderly, have tried to change the way they pay doctors to reduce their profit from the sale of chemotherapy drugs.

An executive with the American Society of Clinical Oncology, Dr. Joseph S. Bailes, disputed the study's findings, saying that cancer doctors select treatments only on the basis of clinical evidence. "All of us are looking at clinical trials," he said.

Recent changes in the Medicare reimbursement system, aimed at paying doctors more for the services they provide and less for the drugs, help address some of the concerns, he said. Medicare also began a program this year in which oncologists are paid simply to tell Medicare about the treatments they are choosing. "What we're trying to do is to increasingly pay for quality, not just services," said Dr. Peter B. Bach, a senior official with Medicare.

The researchers looked at how much Medicare paid for different chemotherapy drugs and how 9,357 cancer patients over 65 years old in late stages of the disease were treated from 1995 to 1998. The researchers focused on the treatment of metastatic cancer, or cancer that has spread in the body, because they said doctors had the most discretion in treating patients in advanced stages of the disease and in prescribing chemotherapy treatments.

Because there is little evidence that one chemotherapy drug works better than another, "the physicians have more control over the agents chosen," one of the authors, Joseph P. Newhouse, a professor of health policy and management at Harvard, said in an interview.

Dr. Bailes disagreed. He said there was clear clinical evidence about which drugs should be used even in advanced stages of the disease and that doctors recommended the most appropriate treatments.

Doctors, despite their insistence that their treatment decisions are based solely on what is best for the patient, are affected by payment policies and other financial influences, including gifts from drug companies, said another of the study's authors, Dr. Craig C. Earle, an associate professor of medicine at Harvard and an oncologist at the Dana-Farber Cancer Institute in Boston. "When people look for correlations, it really does affect what we do," he said.