



FOR IMMEDIATE RELEASE

January 22, 2020

CONTACT:

Press@AIR340B.com

IN CASE YOU MISSED IT: New Study Finds Hospitals Charge Nearly Two Times More Than Physician Offices for Same Cancer Treatments

WASHINGTON – New [research](#) from the Employee Benefit Research Institute (EBRI) has concluded that payments from private third-party payers for infused cancer medicines are, on average, twice as much when care is provided in hospital outpatient departments (HOPDs) compared with physician offices (POs). In fact, the findings demonstrate that on a medication-by-medication basis, HOPDs charged up to 4.3 times more than physician offices for the same cancer treatment. Notably, the disparity is due to hospital pricing practices and not the quality of care provided or progression of the disease, according to the issue brief.

While this report looks at all hospitals, not 340B hospitals specifically, it adds to the growing body of research that raises questions about how hospitals are driving growth in health care spending and patient out-of-pocket costs. As the 340B program continues to grow, with more and more hospitals participating, trends in hospital spending cannot be overlooked.

Highlights from the issue brief include:

- *“Hospital prices for the top 37 infused cancer drugs averaged 86.2 percent more per unit than in physician offices.”*
- *“On a drug-by-drug basis, HOPDs charged 1.3 to 4.3 times more than POs for cancer medicines. Over one year, employers and insurers could save \$9,766 per covered cancer patient if they paid PO prices rather than HOPD prices for infused cancer therapy.”*
- *“Given that nearly half of oncology therapy takes place in HOPDs, employers could cut their drug costs nearly in half simply by shifting patients to PO settings without necessarily affecting quality of care. They could also negotiate site-neutral pricing for medicines.”*

Click [here](#) to access the full issue brief.

###

The Alliance for Integrity and Reform of 340B (AIR340B) is a coalition of patient advocacy groups, clinical care providers, and biopharmaceutical innovators dedicated to reforming and strengthening the 340B program to ensure it directly supports access to outpatient prescription medicines for uninsured indigent patients. www.340Breform.org