

# The Medical Journal of Australia • MJA

# MEDIA RELEASE

## **MARKED VARIATION IN OUT-OF-POCKET COSTS FOR CANCER TREATMENT**

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PATIENTS with private health insurance are paying almost twice as much in out-of-pocket expenses for cancer treatment than those with no insurance, according to the authors of research published today by the *Medical Journal of Australia*.

Researchers from the University of Western Australia have been following adults with colorectal, lung, prostate or breast cancer, confirmed by the WA Cancer Registry, who lived in four rural (Midwest, South West, Great Southern, Goldfields) and two outer metropolitan (Joondalup/Wanneroo and Rockingham/Peel) regions of Western Australia. Between 1 April 2014 and 31 April 2017, eligible patients were invited to complete questionnaires requesting demographic, financial, and treatment information, including all costs during treatment.

Participants living in outer metropolitan areas experienced higher costs than participants in rural areas. Ninety-eight per cent of outer metropolitan and 95% of rural participants were out-of-pocket and the amount they paid varied between \$13 and \$106,140. The majority of participants' out-of-pocket costs were due to gap payments for medical costs such as surgery, tests and doctor's appointments."

Among rural participants, mean out-of-pocket expenses were higher for men (\$1988 v \$1362 for women), for people with private health insurance (\$2455 v \$1103), and for people who were married (\$2086 v \$1297), had undergone surgery (\$1990 v \$1360), or had worked prior to being diagnosed with cancer (\$2084 v \$12980," reported the authors, led by Professor Christobel Saunders.

"Among outer metropolitan participants, mean out-of-pocket expenses were higher for men (\$5217 v \$2247), for people with private health insurance (\$4670 v \$2510), and for those who had undergone surgery (\$5434 v \$2157), worked prior to being diagnosed with cancer (\$5471 v \$2143), resided in higher socioeconomic areas (\$4299 v \$1859), or were receiving chemotherapy (\$4286 v \$2735).

"The higher out-of-pocket expenses for people with private health insurance or undergoing surgery indicate the importance of health care funding arrangements and the magnitude of the costs borne by patients," Saunders and colleagues wrote.

"The marked variation in out-of-pocket expenses ... highlights the need for easily accessible information about services, medical costs, and gap payments for all health care services.

"Problems that still need attention in the unregulated private fee-setting environment in Australia include price discrimination in some specialist sectors.

"Bundles of care for cancer treatment that would allow patients and their families to better understand and plan for expenses should be explored," they concluded.

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