

COMPONENTS OF FIRST YEAR MEDICARE COSTS FOR ELDERLY INCIDENT HEMODIALYSIS PATIENTS.

J. Liu, H. Guo, L.W. Mau, A. Ishani, T.J. Arneson, D.T. Gilbertson, A.J. Collins. Chronic Disease Research Group, Minneapolis, MN, USA

Patient characteristics of incident end-stage renal disease (ESRD) patients and practice patterns for ESRD patients have changed over last decade. How this change affected medical costs and their components has not been studied. This study assesses changes in first-year medical costs and their components among elderly hemodialysis (HD) patients using the Centers for Medicare & Medicaid Services ESRD database.

Patients who initiated HD between January 1, 1995, and December 31, 2005, and aged ≥ 67 years were included. Patients were followed from the first day of dialysis to the first date of death, transplant, change of modality, or one year. The medical allowable cost was derived from medical claims and divided into inpatient (IP), outpatient (OP), other Part A (OPA), and Part B (PB) costs. IP costs were further divided into cardiovascular (CV), infection (INF), vascular access (VA), and other hospitalization costs, to assess cost drivers. The cost trends and the contribution of each component to the total cost were assessed.

First year medical costs increased every year, from \$81,977 in 1995 to \$113,073 in 2005. Each component cost increased significantly over time also (Figure 1). Overall, IP, OP, OPA, and PB costs represented 36.8%, 34.5%, 9.0%, and 19.6% of total cost, respectively. These percents were relatively stable over the years, except that the percents of IP and OP costs decreased slightly (Figure 2). Percents of CV, INF, VA, and other hospitalization costs were 21.6%, 14.5%, 11.0%, and 52.9% of total IP costs overall, respectively; the percent of CV decreased slightly and percent of INF costs increased slightly over time.

IP and OP cost were the drivers of the total cost. The first year Medicare cost increased substantially over years, the distribution of the components is relatively stable over time.

