eAppendix A

1. Cancer diagnosis codes used in the study:

   Breast Cancer: 174.0, 174.1, 174.2, 174.3, 174.4, 174.5, 174.6, 174.8, 174.9, 175.0, 175.9, 233.0, V10.3
   Colon Cancer: 153.0, 153.1, 153.2, 153.3, 153.4, 153.5, 153.6, 153.7, 153.8, 153.9, 154.0, 154.1, 230.3, 230.4, V10.05, V10.06
   Prostate Cancer: 185, 233.4, V10.46
   Lung Cancer: 162.2, 162.3, 162.4, 162.5, 162.8, 162.9, 231.2, V10.11
   Leukemia: 204, 205, 206, 207, 208, V10.60, V10.61, V10.62, V10.63, V10.69
   Lymphoma: 200, 202, V10.71, V10.79
   Others: 157, V10.09, 183, V10.43, 172, V10.82, 189.0, V10.52, 171

2. Chemotherapy J-codes used in the study:

   J9000-J9999, J8521, J8560, J8520, and J8530

3. Chemotherapy administration codes (HCPCS Level I codes) used in the study:

   96xxxx
**eAppendix Table.** Adjusted Chemotherapy Drug and Administration Spending Per Beneficiary in HOPDs Versus Physician Offices by Year

<table>
<thead>
<tr>
<th>Variable</th>
<th>Adjusted Spendinga Per Beneficiary</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
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<td></td>
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<tr>
<td>Chemotherapy Drug Spending</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>HOPDs</td>
<td>$9850.23</td>
<td>$10,451.7</td>
<td>$11,188.26</td>
<td>$11,000.49</td>
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<td>Physician offices</td>
<td>$12,661.31</td>
<td>$13,318.21</td>
<td>$13,437.24</td>
<td>$13,006.85</td>
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<tr>
<td>Chemotherapy Administration Spending</td>
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</tr>
<tr>
<td>HOPDs</td>
<td>$1600.71</td>
<td>$1473.96</td>
<td>$1485.19</td>
<td>$1602.40</td>
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<tr>
<td>Physician offices</td>
<td>$1267.20</td>
<td>$1266.83</td>
<td>$1171.09</td>
<td>$1167.75</td>
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</tr>
</tbody>
</table>

HOPD indicates hospital outpatient department.

aSpending was adjusted for patient and market characteristics. Patient characteristics were age, gender, race, state buy-in status, cancer type (breast cancer, leukemia, lung cancer, colon cancer, prostate cancer, and lymphoma), indicators of common chronic conditions (ischemic heart disease, diabetes, hypertension, hyperlipidemia, depression, heart failure, chronic pulmonary disease, and cataract), the number of chronic conditions, the number of cancer-related hospitalizations in the prior year, and the number of cancer-related physician office visits in the prior year. Market factors were average income, percent college educated, and the unemployment rate.
**eAppendix Figure 1.** Adjusted Chemotherapy Drug and Administration Spending Per Beneficiary in HOPDs Versus Physician Offices by Cancer Type

HOPD indicates hospital outpatient department.

*a*Spending was adjusted for patient and market characteristics and year-specific effects. Patient characteristics were age, gender, race, state buy-in status, cancer type (breast cancer, leukemia, lung cancer, colon cancer, skin cancer, pancreatic cancer, sarcoma, prostate cancer, kidney cancer, ovarian cancer, and lymphoma), indicators of common chronic conditions (ischemic heart disease, diabetes, hypertension, hyperlipidemia, depression, heart failure, chronic pulmonary disease, and cataract), the number of chronic conditions, the number of cancer-related hospitalizations in the prior year, and the number of cancer-related physician office visits in the prior year. Market factors were average income, percent college educated, and the unemployment rate.
eAppendix Figure 2. Adjusted Spending Per Beneficiary on Separately Reimbursable Chemotherapy Drugs in HOPDs Versus Physician Offices

HOPD indicates hospital outpatient department.

aSpending was adjusted for patient and market characteristics and year-specific effects. Patient characteristics were age, gender, race, state buy-in status, cancer type dummies (breast cancer, leukemia, lung cancer, colon cancer, prostate cancer, and lymphoma), indicators of common chronic conditions (ischemic heart disease, diabetes, hypertension, hyperlipidemia, depression, heart failure, chronic pulmonary disease, and cataract), the number of chronic conditions, the number of cancer-related hospitalizations in the prior year, and the number of cancer-related physician office visits in the prior year. Market factors were average income, percent college educated, and the unemployment rate.

bSeparately reimbursable chemotherapy drugs are chemotherapy drugs that are not bundled into a payment group under the Medicare Hospital Outpatient prospective payment system.