

**Background**

The incidence and cost of non melanoma skin cancers (NMSC) is skyrocketing. Five million cases cost \$8.1 billion in 2011. The average cost of treatment per patient increased from \$1000 in 2006 to \$1600 per patient by 2011. We present a study of the economics and costs of skin cancer management in Medicare patients.

**Methods**

We studied data released by the Centers for Medicare and Medicaid Services in 2014. Treatment modalities for the management of skin cancer were reviewed and costs of treatment were quantified for a sample of 880,000 providers.

**Results**

Review of Medicare payment records related to the management of skin cancer yielded data from over 880,000 health care providers who received \$77 billion in Medicare payments in 2012. From 1992-2009, the rate of Mohs Micrographic Surgery (MMS) has increased by 700% and these procedures typically have Medicare payments 120-370% more than surgical excision, even when including pathology fees. From 1992-2009, MMS increased by 700% whereas surgical excisions increased by only 20%. In 2009, 1800 providers billed Medicare for MMS; in 2012 that number increased to 3209. On average, 1 in 4 cases of skin cancer is treated with MMS.

**Conclusion**

Mohs excision is more expensive than surgical excision in an office setting. Procedures requiring the operating room are much more expensive than office procedures. In an era of high deductible health plans, patients' financial burden is much less with simple excisions of skin cancers done in a clinic setting when compared to Mohs surgery or operative procedures.