

# SEEKING VALUE

VALUE FRAMEWORKS IN THE NEW POLICY  
ENVIRONMENT

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# WHAT IS A VALUE FRAMEWORK?

- ❑ **Definitions: Process for assessing healthcare activities**
  - ❑ Resource allocation
  - ❑ Specific patient decision making
  - ❑ Prioritization
- ❑ **Common elements**
  - ❑ Clinical evaluation
  - ❑ Economic evaluation
  - ❑ Cost-effectiveness?
- ❑ **Sources**
  - ❑ Professional societies
  - ❑ Not for profit (NGO)
  - ❑ Providers
  - ❑ Other

# WHO PRODUCES THEM AND WHY?

## **Multiple sources**

- Professional organizations
- NGOs

## **Multiple needs**

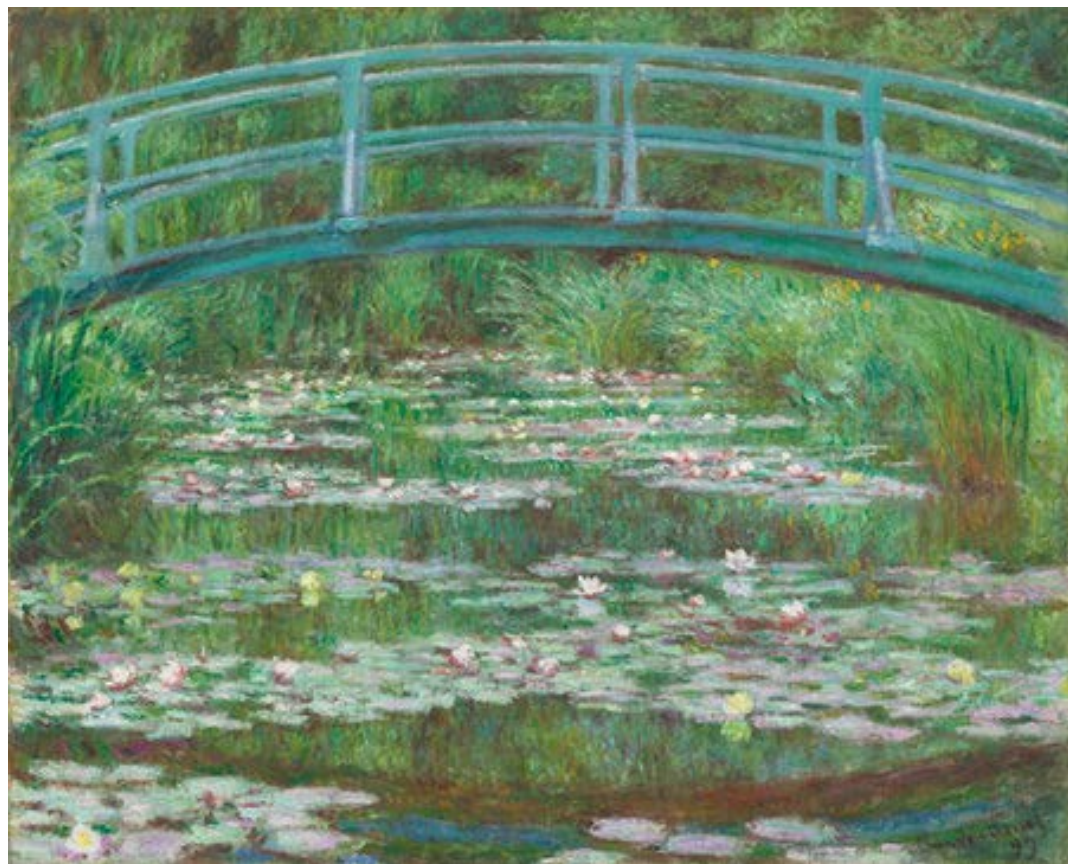
- Policy
- Resource allocation
- Patient treatment decisions
- Payment systems

## **Multiple audiences**

- Patients
- Doctors
- Administrators
- Insurance firms
- Public policy makers

Value-frameworks  
have proliferated  
greatly in the past  
few years,  
especially in the US

Occupying the niche  
inhabited by HTA  
bodies in other  
countries



Concerns about cost  
have led to a  
reconsideration of  
how medical  
interventions are  
evaluated



# CHAOTIC ENVIRONMENT

- ❑ **Concern about costs**
- ❑ **Uncertainty about government policy**
- ❑ **Upheaval in the insurance industry**
- ❑ **Potential regulatory changes...**

**...leading to new roles for payers**

# PAYERS AND VALUE

## Worldwide payer view of value

### Value is a function of

- Benefit - cost
- Willingness-to-pay for benefit
- Management of uncertainty

From Theory To Action: Developments In Value Frameworks To Inform The Allocation of Health Care Resources" W. Oortwijn on behalf of the HTAi Policy Forum



# WHAT IS VALUE IN HEALTHCARE?

“One definition of value is that it represents health care that has positive results (improved patient outcomes, safety, and satisfaction) at a total cost that is reasonable and affordable.

**Care is of high value if it enhances outcomes, safety, and patient satisfaction at a reasonable cost.”**

$$V = Q / C$$

Benefit realized

Resources Used

# CORE CRITERIA

- **Improvement in clinical efficacy & effectiveness**
- **Improvement in safety & tolerability**
- **Severity of diagnosis**
- **Direct impact of intervention on healthcare costs**

Tanios, N., Wagner, M., Tony, M., Baltussen, R., van Til, J., Rindress, D., Kind P., Goetghebeur, M.M., and the International Task Force on Decision Criteria. (2013). Which criteria are considered in healthcare decisions? Insights from an international survey of policy and clinical decision makers. *International Journal of Technology Assessment in Health Care*, 29(4), 456-465. doi:10.1017/S0266462313000573.

# HEALTH TECHNOLOGY ASSESSMENT

## What is HTA?

**“Health Technology Assessment (HTA) is a field of scientific research to inform policy and clinical decision making on the introduction and use of health technologies. Health technologies include pharmaceuticals, devices, diagnostics, procedures and other clinical, public health and organizational interventions.”**  
**WWW.HTAi.ORG**

## Scientific research

- Informs policy and
- Coverage decision making

## Technologies broadly defined

- Drugs
- Diagnostics
- Devices
- Procedures

# VALUE OF AN INTERVENTION IS A COMBINATION OF BENEFITS AND RESOURCE UTILIZATION

## Benefits

- Clinical benefit to the patient**
- Non-clinical benefit to the patient**
- Benefit to the healthcare system**
- Benefit to society**

## Resources

- Cost of intervention**
- Direct costs avoided by intervention**
- Indirect costs avoided by intervention**
- Efficient use of scarce resources**

# AVAILABLE VALUE-ASSESSMENT TOOLS

- ACC/AHA-Cost Value Methodology ✓
- ASCO-Value Framework
- Drug Effectiveness Review Project (DERP, Oregon)
- DrugAbacus (Memorial Sloan Kettering) ✓
- ICER Value Framework ✓
- NCCN Evidence Blocks
- NCCN Resource Stratification
- Oregon State Health Evidence Review Commission Prioritization ✓
- Premera-Value Based Drug Formulary ✓

Value assessment frameworks can provide a common language and allow us to move ahead with a rational discussion of costs and benefits

✓ = \$/QALY used

# OVERVIEW OF VALUE FRAMEWORKS

## ACC/AHA

Methodology for determining cost effectiveness

Intended for policy and decision makers

## ICER

Reviews of therapeutic classes

- Clinical
- CEA
- Budget

Systems oriented for policy and decision makers

## ASCO

Patient oriented

- Efficacy
- Toxicity
- Patient focused QoL

Intended for doctor-patient decision making

## NCCN

Academic orientation

- Evaluation of evidence

Focus on users of NCCN guidelines

# ON-GOING EFFORTS

## ISPOR INITIATIVE ADVANCES HIGH-QUALITY VALUE ASSESSMENT FRAMEWORKS FOR HEALTH CARE INTERVENTIONS

Posted on [February 26, 2017](#)

***Value in Health* Themed Issue Examines the Development and Dissemination of High-Quality, Unbiased Frameworks**

# THE FUTURE

Value frameworks will not go away:

- Incorporate more input from providers and patients
- Develop new modes such as multi-factorial decision analysis
- Become more useful in decision making







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