Healthcare Reimbursement Systems in Europe

The UK

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Scope

- The role of HTA in the management and the regulation of the healthcare system
- The role of economics in HTA
- Coordination between HTA institutions

HTA in the UK

Methods used to promote health, prevent and treat disease and improve rehabilitation and long term care:

- Pharmaceuticals
- Devices
- Procedures
- Secondary care
- Primary care
- Screening

Organisations Undertaking HTA in the UK

- National Institute for Health Research
- Medical Research Council
- Academic Centres
- Royal Medical Colleges
- Professional associations

Resource Constraints

Healthcare Expenditure (US$ per person)

GDP and Healthcare Expenditure 2007

Per capita GDP (Int$) vs. Per capita healthcare expenditure (Int$)

R = 0.776
R² = 0.602
NICE’s guidance programmes

1. Clinical:
   - Technology appraisals
   - Clinical guidelines
   - Interventional procedures

2. Public health
   - Public health interventions
   - Public health guidelines

3. Quality standards and metrics
   - Quality & outcomes framework
   - NICE quality standards/metrics

Published NICE guidance

<table>
<thead>
<tr>
<th>Type</th>
<th>2007</th>
<th>Numbers</th>
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<tbody>
<tr>
<td>Appraisals</td>
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<tr>
<td>Clinical guidelines</td>
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<tr>
<td>Interventional procedures</td>
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<td>314</td>
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<tr>
<td>Public health</td>
<td></td>
<td>21</td>
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<tr>
<td>Total</td>
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Status of NICE Guidance

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<thead>
<tr>
<th></th>
<th>England</th>
<th>Wales</th>
<th>Northern Ireland</th>
<th>Scotland</th>
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<tbody>
<tr>
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<td>Yes*</td>
<td>Yes</td>
<td>Mainly</td>
<td>Partly</td>
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<tr>
<td>Clinical guidelines</td>
<td>Yes</td>
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<td>Interventional</td>
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<td>Yes</td>
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<td>No</td>
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<tr>
<td>procedures</td>
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<td>Public health</td>
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</table>

* Funding Direction applies

Principles of NICE guidance

1. Robust
2. Inclusive
3. Transparent
4. Independent
5. Timely

Clinical Evaluation

1. Randomised controlled trials
2. Observational studies
3. Systematic reviews

Economic Evaluation

Overarching principles:

1. Economic perspective
   - NHS and PSS
2. Cost effectiveness
   - Not affordability or budgetary impact
3. Balance between:
   - Efficiency (utilitarianism)
   - Fairness (egalitarianism)
**Cost Utility Analysis**

Costs (and savings):
- direct
- indirect

Benefits:
- improvement (change) in HRQoL (utility)

For which it is “enjoyed”

**Decision-making**

1. **Scientific judgements**
   - Reliability of the evidence-base
   - Appropriateness of sub-groups
   - Generalisability
   - Capture of quality of life
   - Handling uncertainty

2. **Social value judgements**
   - Severity of disease
   - End of life interventions (“rule of rescue”)
   - Age
   - Health inequalities

**Social Value Judgements**

Citizens Council:
- 30 members
- Cross-section of England and Wales
- Serve for 3 years (one third retiring annually)
- Meet twice a year for 3 days
- Deliberative process
- Reports directly to the Board

**Case-by-Case Decisions**

Factors taken into account include:
- severity of the underlying condition
- extensions to end of life
- stakeholder persuasiveness
- significant clinical innovation
- children
- disadvantaged populations
- corporate responsibility

**Recommendations >£30,000 per QALY**

<table>
<thead>
<tr>
<th>Topic</th>
<th>QALY (000)</th>
<th>Utility</th>
<th>End of life</th>
<th>Significant innovation</th>
<th>Disadvantaged populations</th>
<th>Corporate responsibility</th>
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<td>Riluzole</td>
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<td>Human growth hormone</td>
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<td>Insulin pumps</td>
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<tr>
<td>Lenalidomide (lymphoma)</td>
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**Cost Ineffectiveness**

![Cost Ineffectiveness Graph](image)

- Probability of Rejection
- £30,000
- £20,000
- Cost per QALY

*The QALY is a tool not a rule*
## Co-ordination

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<th>Positive features:</th>
<th>Negative features:</th>
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<tr>
<td>– Cochrane collaboration</td>
<td>– Approach to clinical evidence</td>
</tr>
<tr>
<td>– HTA</td>
<td>– Adoption of cost effectiveness</td>
</tr>
<tr>
<td>– INAHTA</td>
<td>– Use of health utilities</td>
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<tr>
<td>– EUnetHTA</td>
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## International Reference Case?

<table>
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<th>Economic perspective</th>
<th>Health/social care</th>
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<td>Health/social care</td>
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<td>Other government budgets</td>
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<table>
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<th>Comparators</th>
<th>Sources of effectiveness data</th>
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<td>Observational studies</td>
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<table>
<thead>
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<th>Role of modelling</th>
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<td>Essential</td>
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<td>Generic measure</td>
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Drummond and Rutter 2009