QALY OR THE NEED FOR A NEW APPROACH?

Why the QALY?

Because we need it & have nothing better

Why this perceived requirement?

Rule of utility: good is whatever brings the greatest happiness to the greatest number of people.

Felicity Calculus: Gross National Happiness

- 1972 Bhutan’s King, Jigme Singye Wangchuck, decided to make his nation’s priority not its GDP but its GNH, or gross national happiness.
- Facebook has created a “Gross National Happiness Index” that measures how happy we are and tracks our happiness over time:
- Michael Jackson’s death on June 25, 2009 came in as the second happiest day in the past two years.
- 10% increase in happiness on Fridays compared with Monday.

What does that mean?

100 in 10 people
1 in 1,000 people

Utilitarianism in health care: false worship
Proper utilitarian worship

Logic of the Cost/QALY
- In order to ensure that the “limited health care budget” produces the greatest benefit for the greatest number:
  - Need a universal unit of benefit: QALY
  - Compute an ICER: Additional cost per incremental QALY
    - Comparing new intervention vs some alternative
  - Assess that ICER vs a threshold (arbitrary):
    - Is the intervention cost-effective?
      - No
      - Borderline
      - Cover
      - Invoke Other Criteria

Doesn’t ensure decisions lead to more QALYs

Prevailing Approach
- Need threshold
- Need universal measure of value
  - Is the intervention cost-effective?
    - No
    - Yes
    - Don’t cover
    - Cover

UK- NICE

Proposed Approach
- don’t need threshold
- don’t need universal measure of value
  - Is there a need for the intervention?
    - Yes
    - No
    - Cover
    - Don’t cover
  - v serious illness
  - Frivolous Rx (e.g., cosmetic surgery)
  - Orphan drugs
  - Respect budget
  - Identifies what to delist
  - Equitable access
  - Companies adjust R&D to need and price to efficiency
  - Accords with society’s values
Needs

- Extremely high risk of death
- Lower risk of death
- Risk of major permanent dysfunction
- Major symptomatic condition
- Minor symptomatic condition
- Factors indicating risk of future problems
- Cosmetic

Priority Setting in Light of Needs & Effectiveness

Priority Setting Given Resource Availability

Conclusion

Transition from cost/QALY, efficiency-based approach
To
Needs-based approach with limited, but important role for efficiency.