



Guiding Better Value Assessment for Health Services and Procedures

The Broader Value Initiative

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RESEARCH CONSORTIUM
for Health Care Value Assessment



Disclosures

- Co-chair of steering committee for Broader Value Initiative
- Empirical work sponsored by PhRMA
- Former chief scientific officer at Institute for Clinical and Economic Review

Why Not More Service/Procedure CEA?

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Why So Few Value Assessments On Health Services And Procedures, And What Should Be Done?

[Peter J. Neumann](#), [Daniel A. Ollendorf](#)

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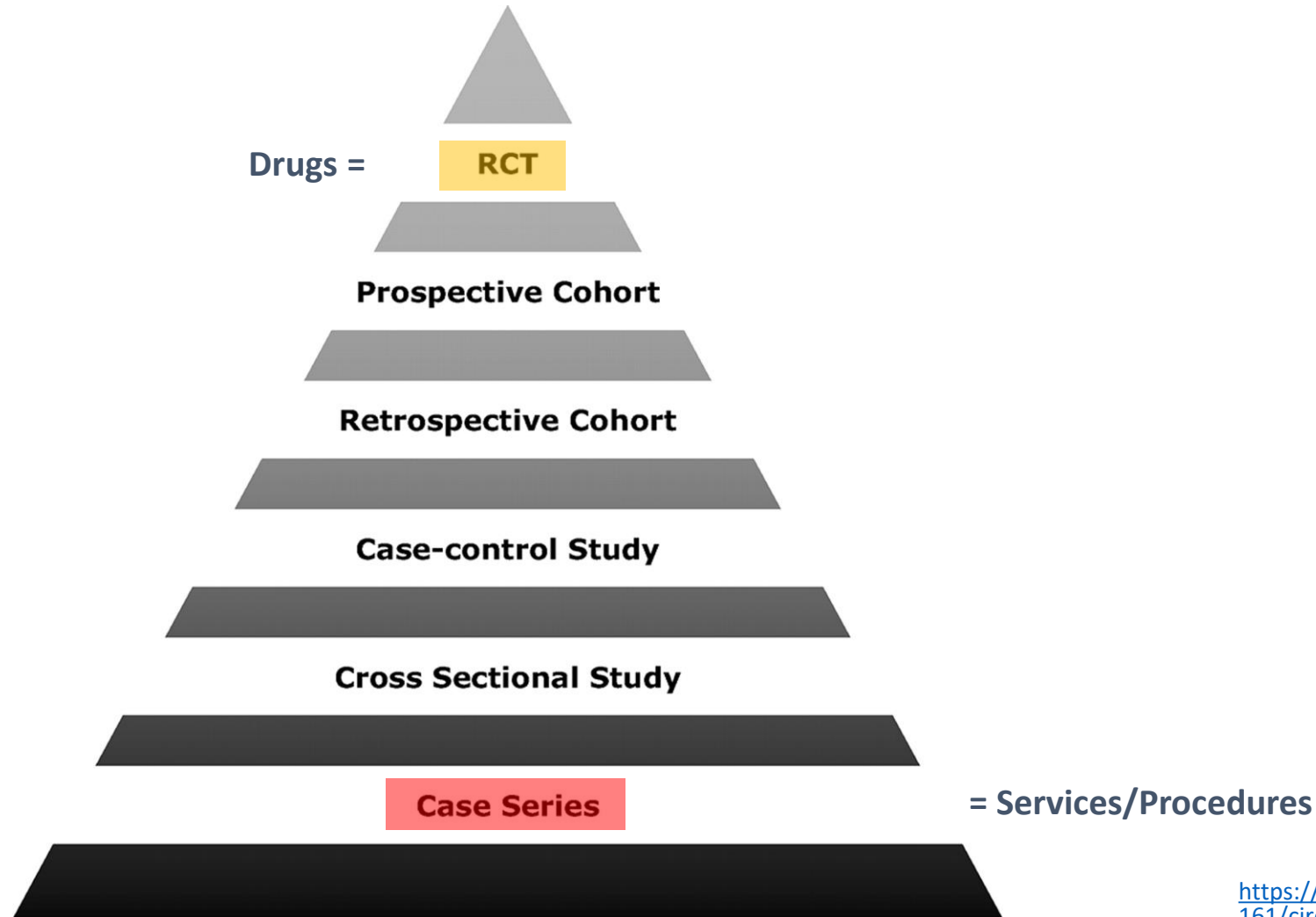
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<https://www.healthaffairs.org/content/forefront/why-so-few-value-assessments-health-services-and-procedures-and-should-be-done>

Issue 1: Evidence Quality



Evidence Quality: Why so Poor?

- No regulatory requirements
- Investigator-initiated research
- Additional factors
 - Site/system effects
 - “Learning curve”

**Design/Measurement
Uncertainty =**



CEA

Issue 2: Data



The collage features three overlapping elements:

- Top Left:** A Health Affairs article titled "Making Sense Of Price And Quality Variations In U.S. Health Care" by Jonathan Skinner, David C. Goodman, and Elliott S. Fisher, dated December 30, 2015. The article is categorized under "HEALTH EQUITY" and "HEALTH AFFAIRS FOREFRONT".
- Top Right:** A Science journal article titled "Small Area Variations in Health Care Delivery: A population-based health information system can guide planning and regulatory decision-making." published on December 14, 2015. The article is categorized under "ARTICLE" and "SMALL AREA VARIATIONS IN HEALTH CARE DELIVERY".
- Bottom:** A medical claim form with a stethoscope resting on it. The form includes fields for "Number:", "Claim Received:", "DATES OF SERVICE", "PROCEDURE CODE", and "VENIPUNCTURE".

Data: Why so Variable?

- Patchwork reimbursement systems
- Patchwork data sources:
 - Claims
 - Cost accounting
 - EHR
 - Etc.
- Clinical practice variation

Issue 3: Incentives

Drugs



Services/Procedures



COST + %

Incentives: The Issues

- Drug exclusivity drives high prices
 - Payers spotlight the concern
 - CEA one way to demonstrate value for price paid
- Cost-plus payment also drives prices up
 - Payers spotlight the concern...
 - But rely on traditional cost-cutting measures only

HTA Experience

- ICER 2007-2015:
 - ~25 service/procedure assessments
 - Community health workers
 - Opioid-use disorder programs
 - Behavioral/primary care integration
 - Etc.
- Challenges:
 - Difficult to estimate component costs
 - Extrapolation over the long term
 - Evidence often not comparative

Now What?

- Publicly funded HTA for highest priorities
- In other countries:
 - Broad remit to cover multiple intervention types
 - Different agencies (e.g., AIFA and AGENAS)
- Expand VBID to consider CEA
- Common models for data collection and reporting
- Federal funding for RCTs
- Greater acceptance by journals

Thank You!

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