WHAT IS GOOD FOR THE ENVIRONMENT IS GOOD FOR HEALTHCARE

HOW TO CONSIDER GREEN SUSTAINABILITY IN VALUE ASSESSMENTS AND PURCHASING DECISIONS

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Workshop Panel

• Prof Mark Sculpher
  • Professor of Health Economics at York University and Director of the Program on Economic Evaluation and Health Technology Assessment. He is also Deputy Director of the Policy Research Unit in Economic Evaluation of Health and Care Interventions (EEPRU).

• Jerome Baddley
  • Head of the NHS Sustainability Development Unit. He was the CEO of the environmental consultancy NetPositive. Over 10 experience with sustainability work

• Mike Baldwin
  • Market Access Director at Boehringer Ingelheim

• Dr. Carolin Miltenburger
  • Independent consultant, after 25 years in the industry
CLIMATE CHANGE HAS A NEGATIVE IMPACT ON THE ENVIRONMENT AND ON HEALTH

Major drivers of global warming

Main drivers:
- energy sector
- agriculture
- transportation

The EU intends to reduce their CO₂ emissions (tCO₂e) to ≥40% below 1990 levels by 2030 and by ≥ 80% by 2050.

167 Parties submitted their intended level of CO₂ reduction to the UNFCC.

The Nazca Global Platform (launched in 2014) tracks commitments of 12,500 entities.

- Cities, Regions, Organizations, Companies and Entire Countries, among them 52 Life Science Companies

The healthcare sector contributes 5-10% to global CO₂ emissions.

Main drivers:
- hospitals
- industry
- procurement

... but sustainability is currently not considered in national / regional pricing and reimbursement processes for drugs or devices
And there are no established methods how to quantify the value of environmental impact or carbon footprint.

The ecological impact of products and services can be quantified through Life Cycle Assessment.

... but there is no consensus how to quantify the societal value of a better carbon footprint or waste reduction.
Why are we here?

- Healthcare sector is part of the problem
  - Global contribution of 5-10% of the total green-house gas emissions (GHGE)
- There is a sense of urgency
  - Many countries failing to meet their carbon reduction commitments to the UN
- Providers, but not payers starting to consider carbon footprint
  - National healthcare payers do not recognize ecological benefits of health technologies when making funding and purchasing decisions
- The issues are
  - Low awareness with all stakeholders
  - No incentives for a better product carbon footprint
  - Should sustainability be included in societal perspective of economic analyses?
  - How to quantify the value of a better carbon footprint (carbon intensity\(^1\), SCC)?

Thesis: Efforts to reduce CO2e by more eco-friendly technologies should be incentivized by decision making in healthcare

- Value Assessment should consider ecological impact
- Life cycle analyses on ecological impact should be done routinely
- Consensus on methodologies and use of PCF data needed
Poll: Have you ever seen carbon footprint data of a healthcare product?

Poll: Should value assessment frameworks include the product carbon footprint?
Poll: What may be the impact of a better carbon footprint on price and reimbursement?

Questions to the Audience
What may be the impact of the added value on price and reimbursement, use?

Short term the impact should be on "preferred product". Once a scenario with ecological data can be presented at societal level it should have an impact on price. (NL)

Should be included in the pricing submission highlighting that it is cost-neutral but an additional benefit. Reward should be through market share. Physicians are an important stakeholder. (FR)

Should be reflected in preferred choice, e.g. tiered scheme or fully reimbursed product (SE)

NICE currently only considers costs, outcomes and wider economic benefits (e.g. productivity). The question is which trade-offs will be made. Climate vs health? Which products to displace. Who should bear the costs of waste/eco burden? Consumers pay for plastic bags but here manufacturers should pay (UK)

Questions to the audience

• How much does the healthcare sector globally contribute to CO2e?
  • Don’t know
  • 1% 
  • 5 %
  • 10%

• Have you seen data on the carbon footprint of a health technology, a drug or device
  • No
  • Yes
  • Not sure
Questions to the audience

• Should sustainability, i.e. carbon footprint be systematically included in value assessment frameworks for pricing and reimbursement?
  • Yes
  • No

• What may be the impact of a better carbon footprint on price and reimbursement?
  • None
  • Should be reflected in the price
  • Should be reflected in preferred choice, e.g. tiered scheme or fully reimbursed product