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Value-based healthcare will transform HTA as we know it today - expert

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INTERVIEW

PRICING & REIMBURSEMENT

HTA

POLICY

by Natalie Morrison

LONDON, 10 June (APM) - Value-based healthcare (VBHC) is likely the future of pricing and reimbursement and will transform health technology assessment (HTA) as we know it today, professor Gregory Katz, chair of innovation and value in health at the University of Paris School of Medicine has told APM.

His comments were part of a telephone interview on Monday, shortly after the publication of a new handbook, called 'Implementing Value-Based Healthcare in Europe: Handbook for Pioneers', advising on how health services can improve patient outcomes and reduce wasted resources using VBHC best practices gleaned from hundreds of interviews with "pioneers" in 22 EU countries.

The handbook was commissioned by European Union-backed health innovator network, EIT Health, and was directed by Katz - who also founded the non-profit VBHC Consortium, aimed at accelerating the paradigm.

It calls for the adoption of VBHC. While it shares the same focus as HTA on patient outcomes based on "case-mix adjustments", Katz stressed that VBHC is a much more "holistic" approach.

Whereas HTA is mainly focused on evaluating single products such as a drug or medical devices and uses indicators designed by payers, clinicians and experts using randomised control trial (RCT) data, VBHC considers real-world data and patient outcomes of the full cycle of care, not just for a single intervention.

"The main limitation of RCT is that they may not be generalisable to the real world where patients often don't comply with prescribed treatments," said Katz, adding drugs are also often used beyond their approved indications.

VBHC data are instead captured through condition-specific registries which are shared and made transparent.

Another key difference is HTA's focus on classic clinical outcome measures such as progression-free survival (PFS) or overall survival (OS), which may not be the most important factors to a patient, he said. VBHC focuses on outcomes which are important to the patient, including quality of life.

These outcomes are then actionable because they can be discussed with the patient during consultations, which is not the case for HTA, said Katz.

Though these VHBC data are more "dirty" than RCT data because they are less controlled, they reflect more accurately what is happening in real life, he added, where physicians may not prescribe at the right dose or with other suitable medicines, or patients may not adhere to treatment.

NEED FOR CHANGE

Katz went on to highlight the reasons change in healthcare systems is crucial.

Around 30% of resources currently spent on healthcare are wasted on avoidable complications, unnecessary treatments or administrative inefficiencies, he said.

The fee-for-service model many healthcare systems are based on is "flawed," he said. It means the medical teams with the highest complication rates receive more money than those with the lowest complications, because of re-interventions. Conversely, Katz argued that, "for the same patient case-mix, practitioners with more complications should theoretically face financial penalty".

Instead, healthcare systems are struggling to evolve toward "bundled payments" because of fee for service, which enables wasteful spending.

VBHC can also be applied to help drive adoption for some of the new incoming therapies which are more costly upfront but which could carry long-term benefits, Katz added.

He cites the example of the reimbursement agreement of Amgen's relapsed multiple myeloma treatment Kyprolis (carfilzomib) in Finland, which he said costs €6,500 a month. Amgen partnered with a distributor to develop a patient-level pricing platform using an electronic patient recorded outcomes (ePRO) which allowed for an indication and outcome-based pricing model.

"If the drug is administered appropriately and doesn't deliver the expected outcomes, Amgen is not paid," he said. "It means risk sharing is now taking place."

The economic arguments for outcome-based commissioning or procurement come in tandem with the "psychological incentive", Katz added. VBHC data are captured through transparent, condition-specific registries. The transparency brought by sharing this data sheds light on healthcare provider behaviours, he said, creating an environment whereby providers are

interested in improvement and upholding reputation among peers and patients.

THE FUTURE OF HTA

The Netherlands and Scandinavian countries such as Sweden, Norway and Finland have established outcomes-based registries in place.

The UK is also a "great example" of a healthcare system "transforming from within", with patient reported outcome measures being recorded in registries at different levels, said Katz. Until recently, it had a mature VBHC-orientated system named 'myNHS', although he lamented that this has now closed.

According to the landing page for the now closed myNHS website, the site was "not used enough to justify the cost of running it". It adds: "The NHS is committed to delivering value for money and has therefore decided to close the site."

However, "transparency and openness about how data are used to improve the health and care system remains a priority," it adds. "NHSX, NHS England and NHS Digital will continue to work together to understand how we can achieve this."

Despite the closure of myNHS, Katz told APM: "We are on the verge of a new era," where these patient outcomes data across medical teams, hospitals, regions and at national scale, which have been cultivated in the UK, the Netherlands and in the Scandinavia regions, are no longer considered research based data.

These countries have all been looking at best practices to make the data transparent for some time and it is now becoming common clinical practice to organise healthcare systems according to this data, he said.

Nevertheless, it is a different story for other regions in Europe - including Germany, France, Spain, Italy and Portugal - which have no such quality registries. These countries are "lagging behind" and this creates the opportunity for "leapfrogging," said Katz.

"To date, more attention has been directed to why VBHC matters to patients and health systems, rather than how it should be implemented," he added in an email after the telephone interview.

"Healthcare should be driven by a constant focus on delivering outcomes that truly matter to patients. [...] This drive towards [VBHC] is hindered by a paucity of transparent and standardised outcomes data."

Questioned about how HTA bodies will look like in the future, he said they will likely accelerate and massively invest in outcomes-based registries for specific diseases and conditions and will make them accessible and legible.

These bodies will no longer assess one drug on its own, which is a fraction of the care pathway, he predicted. They will look holistically at the care pathway itself, making providers accountable for what is delivered because of the transparency of the data.

While there will always be a place for RCT - in drug approvals for instance - "VBHC is likely the future of pricing and reimbursement," he said.

"VBHC will essentially transform HTA as we know it today."

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