

# Do Novel Value Measures Have a Place in European HTA?

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## Questions to address

- Which decision?
- What should we understand by value?
- Which benefits?
- Who decides?
- What would a broader measure of benefit mean?
- What about opportunity costs?

# Which decision?

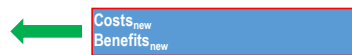
- Allocating resources within collectively funded systems
  - Investments and disinvestments
  - Beyond medical technologies

# What is value?

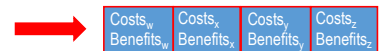
New funding constrained

Costs <sub>1</sub> Benefits <sub>1</sub>	Costs <sub>2</sub> Benefits <sub>2</sub>	Costs <sub>3</sub> Benefits <sub>3</sub>
Costs <sub>4</sub> Benefits <sub>4</sub>		
Costs <sub>5</sub> Benefits <sub>5</sub>	Costs <sub>6</sub> Benefits <sub>6</sub>	
Costs <sub>7</sub> Benefits <sub>7</sub>	Costs <sub>8</sub> Benefits <sub>8</sub>	Costs <sub>9</sub> Benefits <sub>9</sub>
Costs <sub>10</sub> Benefits <sub>10</sub>	Costs <sub>11</sub> Benefits <sub>11</sub>	Costs <sub>12</sub> Benefits <sub>12</sub>
Costs <sub>13</sub> Benefits <sub>13</sub>		
Costs <sub>14</sub> Benefits <sub>14</sub>	Costs <sub>15</sub> Benefits <sub>15</sub>	
Costs <sub>16</sub> Benefits <sub>16</sub>	Costs <sub>17</sub> Benefits <sub>17</sub>	Costs <sub>18</sub> Benefits <sub>18</sub>
Costs <sub>19</sub> Benefits <sub>19</sub>		
Costs <sub>n</sub> Benefits <sub>n</sub>		

New intervention



Displaced intervention(s)



**Do the benefits gained outweigh the opportunity costs?**

# What is value?

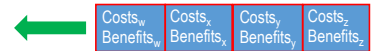
Flexible funding

Costs <sub>1</sub> Benefits <sub>1</sub>	Costs <sub>2</sub> Benefits <sub>2</sub>	Costs <sub>3</sub> Benefits <sub>3</sub>
Costs <sub>4</sub> Benefits <sub>4</sub>		
Costs <sub>5</sub> Benefits <sub>5</sub>	Costs <sub>6</sub> Benefits <sub>6</sub>	
Costs <sub>7</sub> Benefits <sub>7</sub>	Costs <sub>8</sub> Benefits <sub>8</sub>	Costs <sub>9</sub> Benefits <sub>9</sub>
Costs <sub>10</sub> Benefits <sub>10</sub>	Costs <sub>11</sub> Benefits <sub>11</sub>	Costs <sub>12</sub> Benefits <sub>12</sub>
Costs <sub>13</sub> Benefits <sub>13</sub>		
Costs <sub>14</sub> Benefits <sub>14</sub>	Costs <sub>15</sub> Benefits <sub>15</sub>	
Costs <sub>16</sub> Benefits <sub>16</sub>	Costs <sub>17</sub> Benefits <sub>17</sub>	Costs <sub>18</sub> Benefits <sub>18</sub>
Costs <sub>19</sub> Benefits <sub>19</sub>		
Costs <sub>n</sub> Benefits <sub>n</sub>		

New intervention



Alternative unfunded intervention(s)



**Do the benefits gained outweigh the opportunity costs?**

# Which benefits?



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## Whose benefits?

Those with rare disease



Those with severe disease

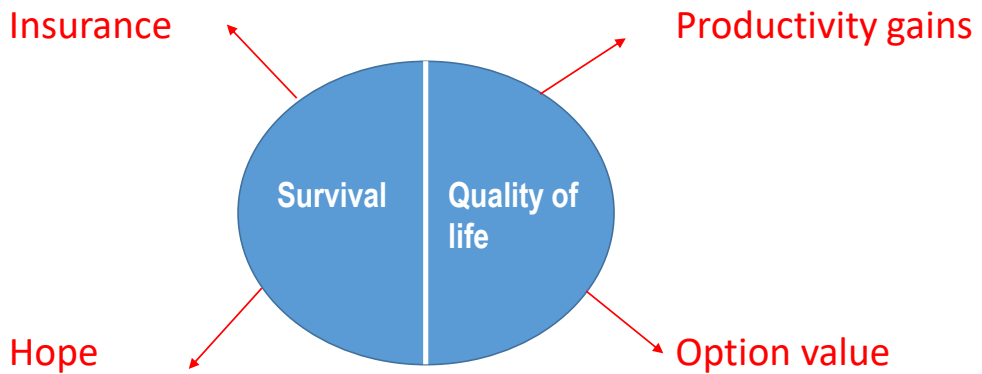


Those with short life-expectancy



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## Which type of health?



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## Which broader benefits?

- Independence
- Social interaction
- Being informed

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## Who decides?

- 3 QALYs
- Mild
- No cure
- Common
- Unproductive

Versus

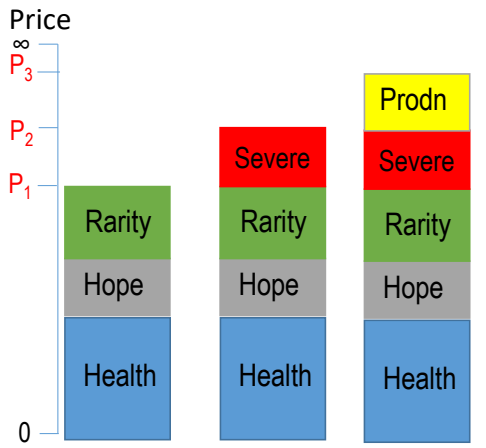
- 1.5 QALYs
- Severe
- Chance of cure
- Rare
- Unproductive

Versus

- 2 QALYs
- End of life
- No cure
- Intermediate
- Productive

- What's in the benefit function?
- Whose preferences?
- Value judgements
- Non-technical
- No consensus

## What's this mean?



- Finding 'new' benefits doesn't increase funding
- Same resources get redistributed
- 'New' benefits present in many other interventions

## What about opportunity costs?

Burden - QALY loss (absolute shortfall)	
Liver cancer	10.7
Schizophrenia	7.62
Emphysema & COPD	3.8
Depression	3.63
<b>Average forgone</b>	<b>2.07</b>
Asthma	1.86
Prostate cancer	1.06
Breast cancer	0.55
Psoriasis	0.19

Net production	
Rheumatoid arthritis	£30,034
Depression	£23,489
Multiple sclerosis	£15,482
Psoriasis	£11,890
<b>Average forgone</b>	<b>£11,611</b>
Breast cancer	£2,888
Dementia	- £2,430
Myeloma	- £23,382
Lung cancer	- £36,067

Claxton et al, *Health Economics* 2015;24:1-7

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## Conclusions

- Selecting benefits is a value judgement
- Some putative benefits more coherent than others
- Ultimate responsibility lies with decision makers
- Claims for wider benefits not unique to new pharmaceuticals
- Quantifying trade-offs challenging
- Often dealt with deliberatively
- Wider the benefit measure needs to be reflected in opportunity costs

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**Thank you!**

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