IP4: COST-EFFECTIVENESS THRESHOLDS IN LATIN AMERICA: WHAT CAN WE LEARN FROM REGIONAL AND INTERNATIONAL EXPERIENCES?

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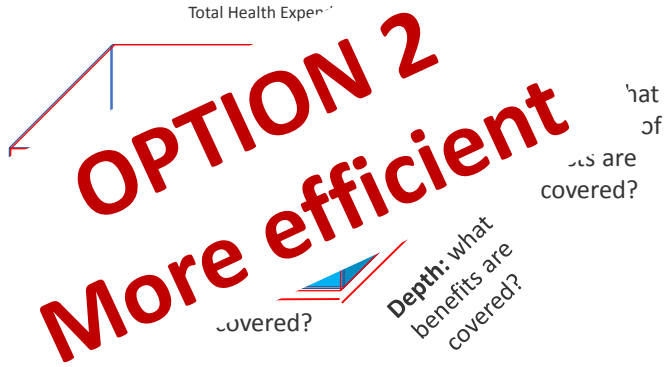
Content

- UHC and the inefficient use of resources, especially in LMICs
- The challenges to informed resource allocation decision-making
- The cases of Colombia, Chile and Mexico when setting CETs
- PROS and CONS
- Conclusions

The challenge of reaching (sustainable) UHC

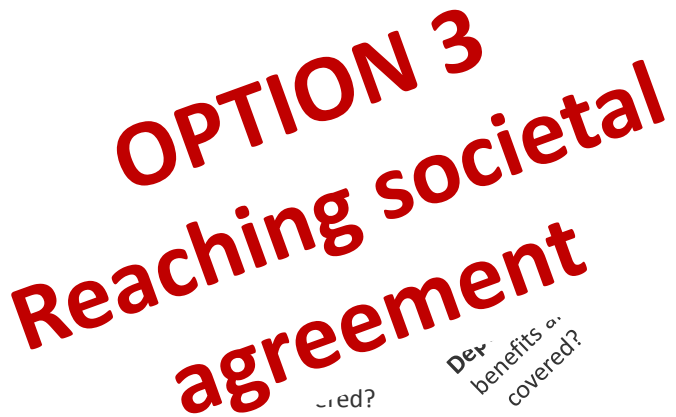
Source: *The World Health Report* (OMS, 2008), modified by HE, Castro 2014

The challenge of reaching (sustainable) UHC



Source: *The World Health Report* (OMS, 2008), modified by HE, Castro 2014

The challenge of reaching (sust… …HC



Source: *The World Health Report* (OMS, 2008), modified by HE, Castro 2014

"The lack of coherence between limitless promise and limited resources leads to implicit and covert rationing through waiting lines, low quality, inequities, and other mechanisms…in many LMICs rationing still occurs as an ad hoc, haphazard series of non-transparent choices that reflect the competing interests of governments, donors and other stakeholders" (Glassman et al, 2012)… **Is judicial intervention a response/result?**

…Thus there is a need to implement a more systematic priority-setting process…notice not only more robust HTA

- Explicit priority-setting needs to make best use of resources to maximize health benefits, should be ethical as well–fair and transparent.
- Priority-setting as a whole is a process that moves from evidence generation to deliberation and communication of the decision made, HTA is only part of this process
- Whenever conducting EE we need to set a decision rule

The CET perspective of three Countries (Colombia, Chile and Mexico)

- All three have implemented the use of systematic PS to inform reimbursement with public resources… but fragmented? Consistency?
- Institutionalization of HTA (CENETEC-Mexico and IETS-Colombia)…but systematic use of HTA results within stable decision-making bodies?
- Methodological guidance for HTA "reference cases" (Chile 2013 (09), Colombia 2014 (09) and Mexico 2015 (02)).

The CET perspective of three Countries (Colombia, Chile and Mexico)

- Similar approaches for assessing evidence: CBA, CEA, CUA, BIA…, but CEA preferred? Due to data limitations?
- CETs established based on WTP instead of real opportunity costs? Differ: in Colombia up to 3 times the local GDP p.c (nominal), Chile and Mexico up to 1 times. All based on WHO, 2001 recommendations.
- Use of QALYs and DALYs for developing "league tables"? Cross comparison of interventions using CEA?

The CET perspective of three Countries (Colombia, Chile and Mexico)

Tabla 2. Comparación del umbral de costo-efectividad con el producto interno bruto per cápita

País	Umbral por AVAC ganado	Umbral por AVAC ganado en PPP [43]	PIB per cápita en PPP (2012) [44]	Proporción del umbral: PIB	Gasto público en salud como % del PIB [45]
Umbral explícito					
Reino Unido	£ 20.000- £ 30.000 [46]	$30,303 - $45,455	$ 37.500	0,8 – 1,2	7,7 %
Umbral implícito inferido de decisiones de asignación de recursos tomadas anteriormente					
Australia	AU$ 69.900 [47]	$ 47.877	$ 43.300	1,1	6,2 %
Canadá	CAN$ 31.000 - CAN$ 137.000 [48]	$ 25.203 - $ 111.382	$ 43.400	0,6 – 2,6	7,9 %
Nueva Zelanda	NZ$ 20.000 [49]	$ 13.793	$ 30.200	0,8	8,4 %
Umbral propuesto por individuos o instituciones					
Canadá	CAN$ 20.000 - CAN$ 100.000 [50]	$16.260 - $ 81.301	$ 43.400	0,4 – 1,9	7,9 %
Países Bajos	€ 80.000 [51]	$ 96.383	$ 42.900	2,2	10,2 %
EE.UU.	$ 50.000 [52]	$ 50.000	$ 50.700	1,0	8,2 %
Reino Unido	£ 12.936 [36]	$ 19.600	$ 37.500	0,5	7,7 %

AVAC – Años de vida ajustados por calidad; PPP – Paridad de Poder Adquisitivo; PIB – Producto Interno Bruto.

Colombian CET inefficient, but as inefficient as CAN or NET?

If based on WTP perhaps 1X GDP, common sense?

If based on forgone opportunity costs perhaps 1X GDP, too high?

From: Faria R, Mejía A (eds). Documentos técnicos de apoyo a la construcción del caso de referencia colombiano para la evaluación económica en salud (2014).

Final considerations

- Whenever there is need to allocate and prioritize the use of limited resources, better to make it explicitly and looking at the best available evidence.
- Different countries around the world have institutionalized the use of HTA to improve resource-allocation decision-making.
- LMICs including LatAm are increasingly looking at HTA as a policy solution, but beware that explicit PS is not only about conducting proper HTAs.
- Establishing appraisal/ decision-making bodies and introducing operational CETs within the region might be challenging.
- The cases of Chile, Colombia and Mexico serve as examples of the limitations of using historically informed or internationally extrapolated CETs (WTP based instead of opportunity costs forgone?).
- Opportunity costs based CETs preferable, but are they really implementable? What about the political economy of explicit PS as a whole?