institute of Health Policy & Management

What can affect the value of precision medicine?

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Example of stratified medicine: genotypeguided dosing of warfarin

- Two RCTs of genotype-guided dosing of coumarin derivatives (including warfarin) to treat atrial fibrillation or venous thromboembolism.
- These RCTs involved different comparisons:
 - 1. In England and Sweden:
 - <u>Genotyped-guided dosing vs. standard care</u> ("onedose-fits-all")
 - 2. In The Netherlands and Greece:
 - <u>Genotyped-guided dosing vs. clinical dosing algorithm</u> ("*low-tech stratified medicine*")

Pirmohammed et al, New Engl J Med 2013 Verhoef et al, New Engl J Med 2013



Genotype-guided dosing of warfarin

- Main conclusions (according to editorial by Furie NEJM, 2013): "these trials indicate that ... pharmacogenetic testing has ... at best, marginal usefulness, given the cost and effort required to perform this testing."
- > <u>HOWEVER</u>, improved safety remains important.
- > Opportunities exist in:
 - a. <u>formal dosing algorithms</u>, without concern for genotype;
 - **b.** <u>patient adherence</u> and possibly more responsibility to patients;
 - c. increased <u>diligence</u> by ... personnel in testing, monitoring, and dosing.

Is personalised medicine always better?

Oral anticoagulants (OACs)



New oral anticoagulants (NOACs) 0









Mercedes-Benz

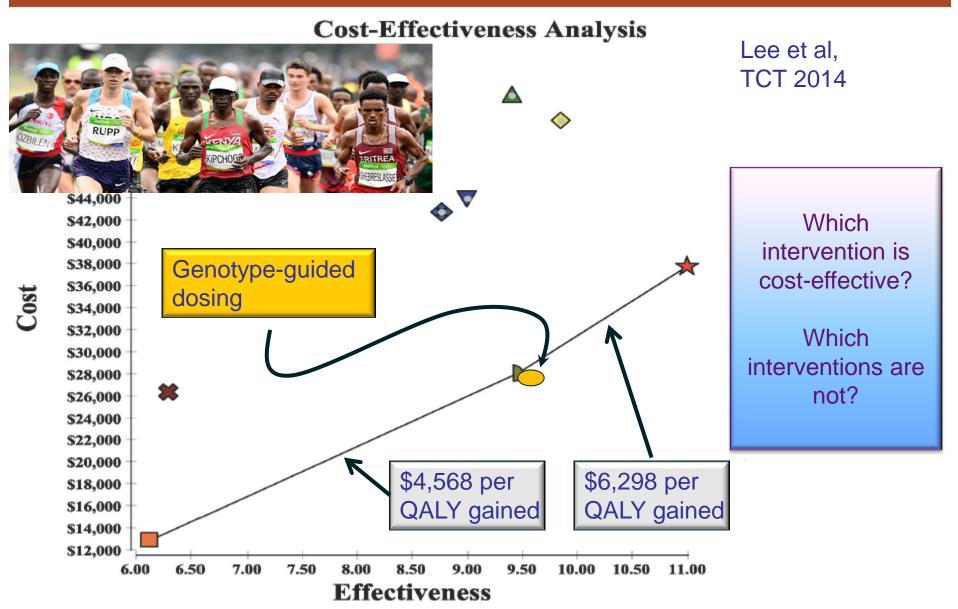


<u>NOACs</u>: apixaban, dabigatran, rivaroxaban <u>Other</u>: left atrial appendage occlusion

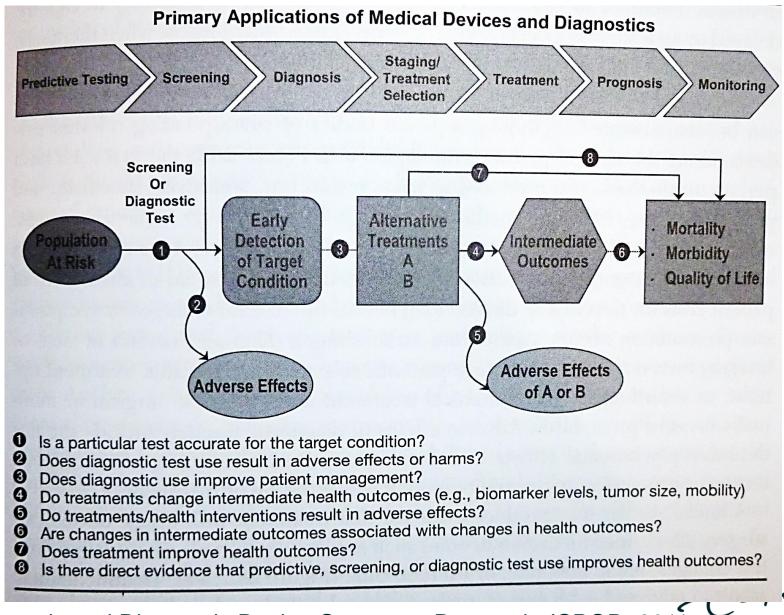


Consider all treatment options!

Figure 1 Base-case efficiency frontier depicting costs and QALYs for 8 stroke prevention strategies



What is needed to assess the value of precision medicine?



Therapeutic and Diagnostic Device Outcomes Research: ISPOR, 2011

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What data is needed to assess precision medicine?

- 1. Test characteristics (sensitivity/specificity, costs)
- 2. Treatment strategy (given a positive or negative test)
- 3. Prognosis (health) with true positives, false positives, true negatives, false negatives.
 - need to consider later treatments and their effects (e.g., what happens with a false positive result?)
- 4. Costs associated with true positives, false positives, true negatives, false negatives.
- In addition, we need to assess the <u>quality</u> of the data

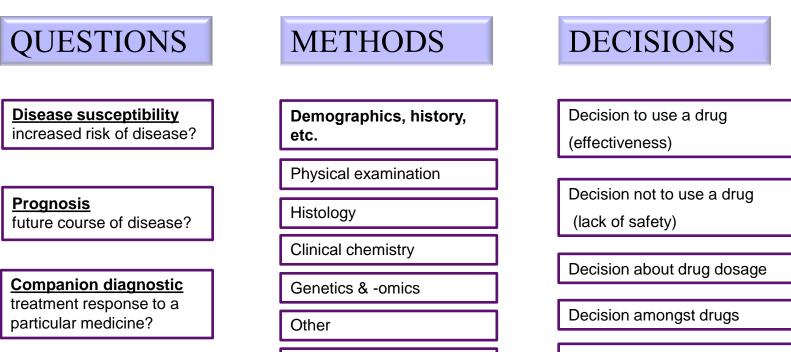
Where do we find the data that we need?

Data needed	Possible sources
Test accuracy and costs	
Side-effects of a test (plus probabilities, costs)	
Treatment strategy with positive or negative test	
Health outcomes (prognosis) if patient is true positive; also if the patient is false positive, true negative, false negative)	
Costs associated with true positives, false positives, true negatives, false negatives	
Prior probability of positives (e.g., HER2-positive)	
Utility values of different outcomes	
Etc.	

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 \succ In addition, we need to assess the <u>quality</u> of the data

Components of (precision) medicine



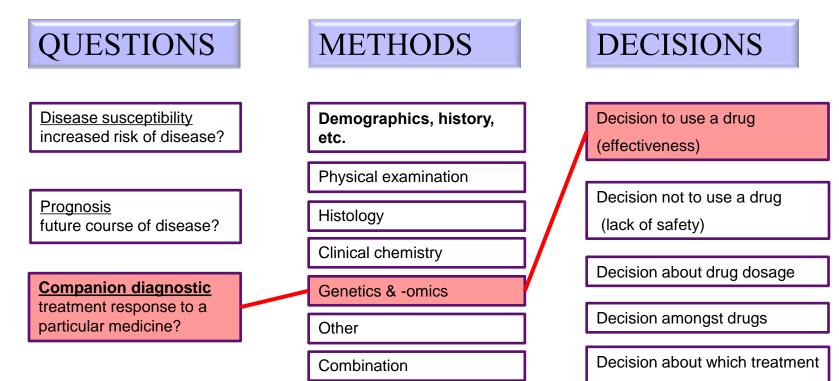
Decision about which treatment

(e.g., drugs, surgery, etc.)

Many combinations relate to precision medicine (personalised medicine, stratified medicine, etc.)!

Combination

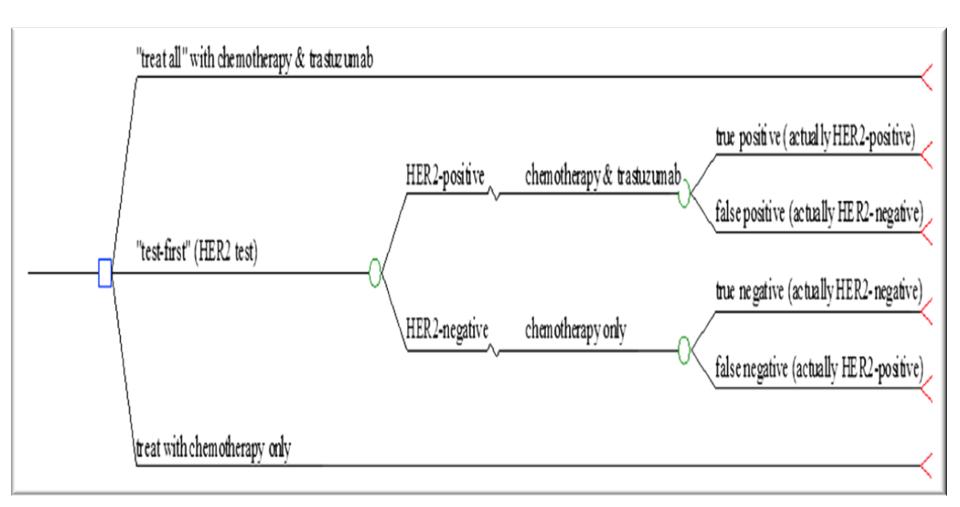
HER2 & trastuzumab (Herceptin)



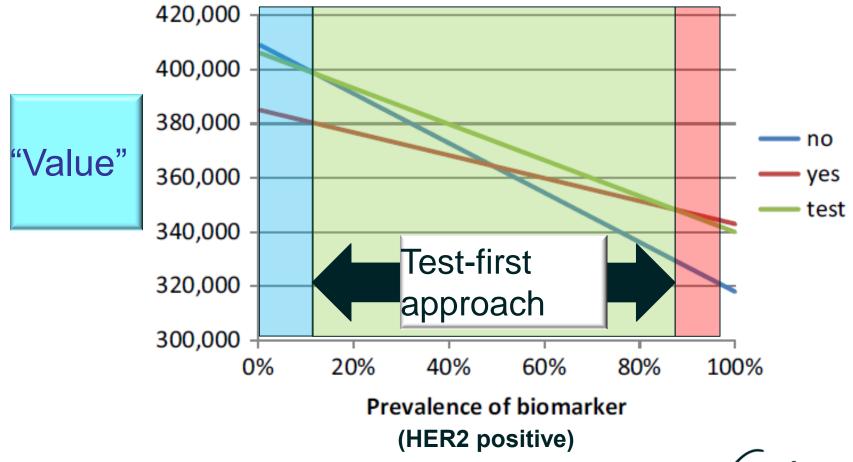
(e.g., drugs, surgery, etc.)

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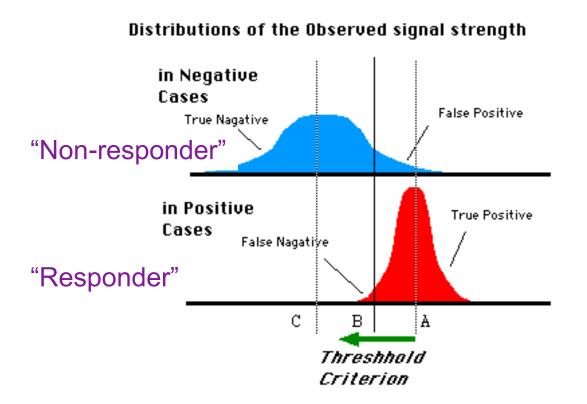
An example of precision medicine (Herceptin/trastuzumab)



Different treatment strategies are available. Is the test-first approach the most cost-effective option? The cost-effectiveness of precision medicine vs. the alternatives depends on different factors



Diagnostic test: where is the threshold between a responder and a non-responder?



Possible results amongst people with the disease:

- TP (true-positive)
- FN (false-negative)

Possible results amongst other people:

- TN (true-negative)
- FP (false-positive)

A threshold (D_T) determines which results are positive (abnormal) and which are negative (normal)

Conclusions regarding precision medicine and trastuzumab (Herceptin)

- The cost-effectiveness of a stratified medicine approach using Herceptin depends on various factors, including:
 - 1. The prevalence of HER2-positive tumours
 - 2. Test characteristics (sensitivity, specificity, costs)
 - 3. Treatment strategy with a positive/negative test
 - 4. Prognosis with/without treatment (health outcomes)
 - 5. Costs of treatment and disease
 - <u>AND</u>: Whether healthcare professionals and patients will do what they're supposed to do!

What can possibly go wrong in daily practice?

- Consider how well the treatment strategies will work in the 'real world'.
- Precision medicine is like a fine watch It may be sophisticated ... but a simpler approach may actually work better in practice





Reasons why precision medicine won't be more cost-effective than one-size-fits-all

- 1. <u>Incorrect comparator</u> is used (cetuximab, warfarin)
- 2. <u>Costs</u> of testing are too high (warfarin)
- 3. Costs of active treatment are too high (e.g. cetuximab)
- 4. <u>Costs</u> of active treatment are low (e.g., statins)
- 5. <u>Test accuracy</u> is insufficient
- 6. <u>Effectiveness of active treatment</u> is insufficient even when it works! (warfarin)
- 7. <u>Patient heterogeneity</u> is too low (prior probabilities are too low or high)(trastuzumab)
- 8. <u>Quality of care</u> factors: e.g., tests are used incorrectly (wrong patient, wrong time)

Is 'precision medicine' intrinsically the best?

- Precision medicine <u>MAY</u> improve health and <u>MAY</u> even reduce costs.
- ► BUT:
 - its theoretical value depends on many factors
 - its real-world value depends on many more
- Precision medicine is <u>not always cost-effective</u> vs. one-size-fits-all approaches!