# Health economics: case study

2014 UK Diagnostics Forum

Changing the Landscape of Adoption of Diagnostics Forum

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### Introduction

#### What if....

### ... we introduce this new diagnostic test into clinical practice in the NHS?

- a) Can we understand its potential value to patients and to healthcare providers?
- b) Can we estimate what resources (e.g. clinical time and money) the new test would use compared to current tests?
- c) Are there are any wider population/society level benefits that might be gained (or cost savings) from using the new test?
- d) What additional evidence do we need to persuade decision makers to adopt the test?

#### The challenge

Given the current pressures on reducing costs, how can we think about introducing or using new technologies in practice?



### The context – NHS spending cuts

- By 2021 there will be a £30 billion shortfall to fund the NHS in England and Wales
- Many services struggle to see how they can save money while providing the same or better quality services
- An easy option is to cut services or cut staff to reach the target – what about quality of care?
- Many research applications require health economics to justify costs of intervention

### The context – patient safety



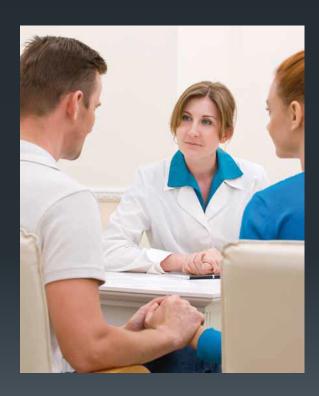
# What do we need to do to understand the costs, benefits and value of a new diagnostic innovation?

- As a <u>healthcare provider</u>: what do you need to convince managers, finance, & Trust to adopt new technology in the NHS?
- As a <u>supplier/manufacturer</u> of health care products: how do you get the NHS, private sector, etc. to buy your innovative products?
- As a <u>commissioner</u>: what information will help convince you to invest in one test over alternatives?
- As a <u>academic/researcher</u>: what do you need to get funding for new research ideas?

#### What are the benefits?

From whose perspective?

- Patient
  - Better experience
  - Reduce anxiety
  - Quicker/streamlined service
  - Prevent or reduce risk of short and long terms complications
  - Less chance of treatment failure



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### What are the benefits? (2)

From whose perspective?

- Clinic/service
  - Increased patient flow
  - More efficient services
  - Attracting new/different patients
  - Better patient outcomes
  - Reduce follow-up
  - Greater clinical confidence in diagnosis/treatment





#### What are the benefits? (3)

From whose perspective?

- Population/public health
  - Reduced transmission
  - Reduced incidence/prevalence of infection
  - Reduced incidence/prevalence of complications/disease



#### What are the costs?



Cost to the clinic/service



#### Henshall & Schuller

Int. J. Tech. Assess. Health Care 29:4, 2013

- Results of the Health Technology Assessment International (HTAi) Policy Forum (Barcelona, Feb 2013)
- Defining value depends on perspective
  - Patient
  - General public/societal
  - Health care
  - Industry
- Elements of value
  - Core benefits, e.g. those to the patient (improved prognosis/survival, symptom/pain relief, etc.)
  - Wider elements of value, e.g. non-health benefits to patients, caregivers/family, society, health & social care systems
- Approaches to measurement
  - Clinical outcomes, patient related outcomes, measure eq EQ5D, **QALY**
- Approaches to valuation

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THEME - HTA and Value

#### HEALTH TECHNOLOGY ASSESSMENT, VALUE-BASED DECISION MAKING, AND INNOVATION

Hoisesity of You

Tara Schuller

Background: Identifying treatments that offer value and value for money is becoming increasingly important, with interest in how health technology assessment (HTA) and decision makers can take appropriate account of what is of value to patients and to society, and in the relationship between innovation and assessments of value.

Methods: This study summarizes points from an Health Technology Assessment International (HTA) Policy Forum discussion, drawing an presentations, discussions among

Results and Conclusions: Various perspectives on value were considered; most place patient health at the core of value. Wider elements of value comprise other benefits for

patients; caregivers; the health and social care systems; and society. Most decision-making systems seek to take account of similar elements of value, although they are assessed and combined in different ways. Judament in decisions remains important and cannot be reduced by mathematical accordables. There was discussion of the value of innovation and of the effects of value assessments on innovation. Discussion also included moving toward "progressive health system decision making," an engoing process whereby evidence-based decisions on use would be made at various stages in the technology lifecycle. Five actions are identified: (i) development of a general framework for the definition and assessment of value; development by HTA/ coverage bodies and regulators of (ii) disease-specific guidence and (iii) further joint scientific advice for industry on demonstrating value; (iv) development of a framework for progressive licensing, usage, and reimbursement; and (v) promoting work to better adapt HTA, coverage, and procurement approache

Kerwords: Decision makina, Technology assessment, Biomedical, Coverage, Reimbursement, Social values

and care pathways means that the range of treatment options methods, alignment or agreement. continues to grow faster than the resources available to many patients and healthcare systems, particularly as the impacts of that offer value and value for money is therefore becoming increasingly relevant (1-3).

healthcare decisions take account of relevant evidence in a sysopportunity for leaders and senior management of for-profit and tematic way (4). There is debate about how HTA can best assess the various aspects of value and allow these to be factored into meet with invited experts for in-depth discussions about issues decision-making processes, with particular interest in whether of emerging international interest (6). A detailed description of HTA and decision makers are taking appropriate account of the Forum can be found elsewhere (7). what matters to patients and to society. Issues include variations in methods and decisions across systems, and the relationship topic of HTA and value. The meeting included presentations and

Policy Forum discussed these issues in Barcelona in February the public with relevant expertise and experience. 2013. This study describes some of the key themes from that

levelopment of this study was provided by Health Technology Assessment International (HTA).

The rapid development of new medicines, devices, procedures, discussion, and proposes areas where work is needed to improve

HTAi is the international professional society for produc Health technology assessment (HTA) is used to ensure that and users of HTA (5). The HTAi Policy Forum provides an

between innovation and the assessment of value.

The Health Technology Assessment International (HTAi)

discussions among Forum members and guests invited because of their standing as researchers, or as patients or members of

#### Development and analysis of the Forum discussion

The topic of HTA and value was chosen by Forum members The outhors thank members and invited quests of the HIAP Policy Fount and members of the HIAP in March 2012. A half-day scoping meeting was held at the Board of Discous for their combustors to this study, and echanoledge that fooling to support open to Forum members and all those attending the main HTAi

### Case study:

Developing evidence to support introduction of a point of care NAAT for chlamydia and gonorrhoea in the UK

#### Question

Imagine you are a patient. You go to a GUM clinic to find out if you got chlamydia after having unprotected sex with a new partner.

The nurse says you have a choice – you can have:

- 1. Standard test find out the results in 10 days
- 2. Point of care test find out the results in 2 hours

As a patient, what would you choose?

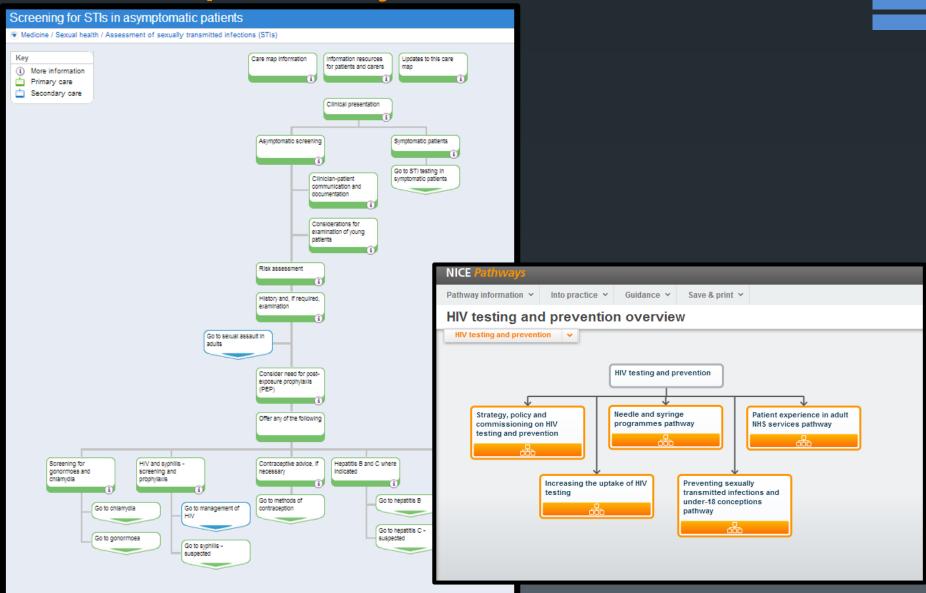
#### 2 Projects

 Project 1: Mapped out clinical care pathways using chlamydia and gonorrhoea point of care NAATs compared to standard tests

 Project 2: Estimated the clinical and economic costs and benefits of implementing point of care tests for chlamydia and gonorrhoea in GUM clinics

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### Patient pathways



## Patient pathway example: Asymptomatic sexual health screen



# Results – current vs. POCT asymptomatic pathway

Current

1<sup>st</sup> visit

SH screen
£79.72

Follow-up visit

CT

management

£34.83

£114.55

**POCT** 



£100.40

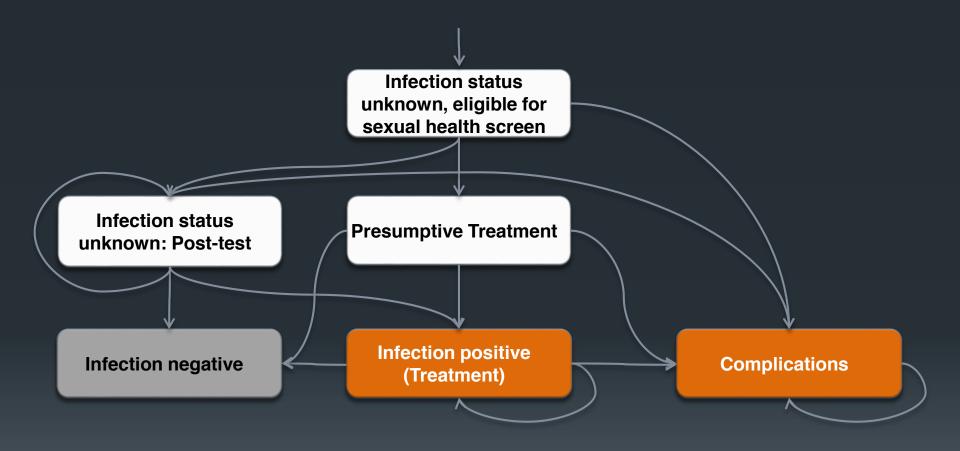
#### Project 2: Methods

Turner et al Sex Transm Infect 2014;90:104-111 doi:10.1136/sextrans-2013-051147

- Modelled the UK cohort attending GUM (1.2 million)
- Compared standard care (off-site lab) to POCT for CT/NG
- Estimated the costs and benefits (QALYs), as well as secondary outcomes (acute symptomatic PID, inappropriate treatment prevented, transmission)
- One month time period

<sup>\*</sup>Note – no longer term complications, e.g. EP, TFI included

### Project 2: Standard care influence diagram



## Project 2: Point of care influence diagram



#### Project 2: Results



- Incorrect treatments averted 95,389
- Transmissions averted 17,561
- PID averted 162
- Moving from enhanced syndromic management to an infection specific approach

#### Implications

- Understanding the <u>value</u> of using POCTs, <u>not just the</u> <u>acquisition cost of the test</u>, will help service managers, commissioners and local authorities understand the impact of introducing these new tests.
- From modelling work, we can understand the knock on (ie population level) benefits and costs of POCTs
  - E.g. reduced transmission, complications, overtreatment, etc.
- Business case evidence for Trusts
- Evidence for LAs, can contribute to discussions more widely,
   e.g. national guidelines

#### Conclusion

- •Health economics can help us understand and quantify the:
  - Costs
  - Benefits
  - Value
- Provide evidence to help decision makers increase adoption of innovative diagnostics

#### Declaration

#### CT/NG POCT Project team:

Dr Paddy Horner Kunj Shah

Dr Katy Turner Alice Ehrlich

Professor John Macleod Vikki Pearce

Dr Simon Goldenberg Arminder Deol

Jeff Round Dr Alisha Davies

Dr Anne Postulka, Evi Siaterli, Daniel White &

colleagues at Cepheid

#### **Conflict of interest:**

I have worked with the following on projects relating to diagnostics/testing:

Atlas Genetics, Cepheid, Enigma Diagnostics, Hologic, Kingston University, National Chlamydia Screening Programme, Office for Sexual Health, Pathway Analytics, St. Georges University, University of Bristol, University College London, University of Galway

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