

Framing The Discussion: Why Assessing Value Is Important And Why It's Important To Do Right

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1. How we got here...
2. Challenges ahead
3. Today's goals and agenda

By The End Of The Day, We Should...



- Identify ways for the field to advance
- Explore how frameworks should (not) be used

Shift The Dialogue From Price To Value



HealthAffairsBlog

“Rising **Cost** of Drugs:
Where do we go from here”*

WSJ
Pharmalot

“How High? The Backlash Over
Rising Prescription Drug **Prices**
Gains Steam”**

USA
TODAY

“Skyrocketing drug **prices**
leave cures out of reach for
some patients”***

*Health Affairs Blog, August 31, 2015 by Ifrad Islam;

**Wall Street Journal, July 31, 2015 by Ed Silverman;

***USA Today, June 15, 2015, by Liz Szabo

Risk Sharing Heats Up



PHARMALOT

More health plans want to pay for drugs based on patient outcomes



<https://www.statnews.com/pharmalot/2016/06/21/drug-prices-health-plans/>

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Value Oriented Payments, Including Bundled Payments, Will Soon Dominate The Landscape



2014 National Scorecard*



“**40%** of all commercial in-network payments are value-oriented—either tied to performance or **designed to cut waste.**”

“The use of value-oriented payment is growing rapidly; now we need to determine whether it **makes health care better** and more affordable.”

*Source: <http://www.catalyzepaymentreform.org/how-we-catalyze/national-scorecard>

Value Frameworks Are Proliferating (But Will They...)



- Reduce waste (\$700b*)?
- Make health care better?

*estimated by the Institute of Medicine

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1. How we got here...
2. Challenges ahead

① Beware What You Ask For



Life-extending cancer drugs to be axed by NHS

NHS England de-lists costly Kadcyla drug, among 16 others, in wake of 'overspent' Cancer Drugs Fund



Roche's cancer treatment Avastin could also be removed from the paid-for NHS drugs list. Photograph: Bloomberg/Getty Images

German Price Watchdog Says 'No' to 3 Cancer Drugs

Posted 23 January 2015

By Michael Mezher

The Institute of Quality and Efficiency in Healthcare (IQWiG) gave negative assessments for three recently approved cancer drugs this month.

We can't afford new cancer wonder drugs, warns NICE: Watchdog rules revolutionary treatment that can shrink tumours in months will not be available

- <https://www.theguardian.com/society/2015/sep/03/life-extending-cancer-drugs-to-be-axed-by-nhs>
- <http://www.dailymail.co.uk/health/article-3361800/We-t-afford-new-cancer-wonder-drugs-warns-NICE-Watchdog-rules-revolutionary-treatment-shrink-tumours-months-not-available-England-Wales.html>
- <http://www.raps.org/Regulatory-Focus/News/2015/01/23/21156/German-Price-Watchdog-Says->

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Need To Balance Cost Concerns With The Goal Of Improved Health



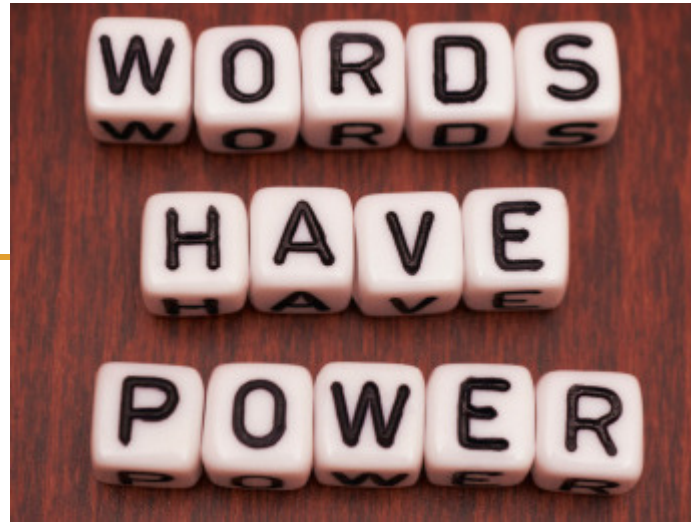
Health

Skin cancer: Drug gives '40% melanoma survival'

By James Gallagher
Health editor, BBC News website

② Be Careful What You Call Value Assessment





1

Benefits/Cost
(at patient level)

X

Number of
Patients

=

2

Budget
Impact

≠

3

Affordability

\$50k/patient

X

1 million

=

\$50 billion

- Willingness to pay
- Reduce waste
- ...

③ Today's Frameworks Have Much To Teach, But Improvements Needed



Version 1.0
Launched!



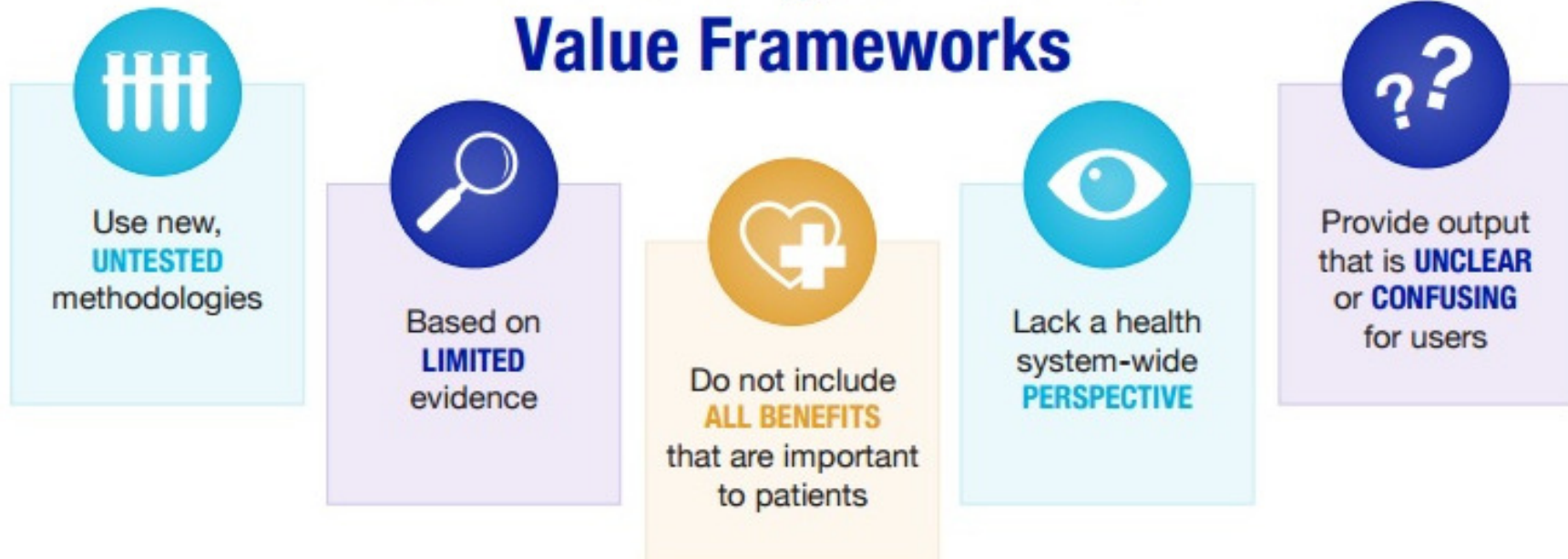
Guiding Practices

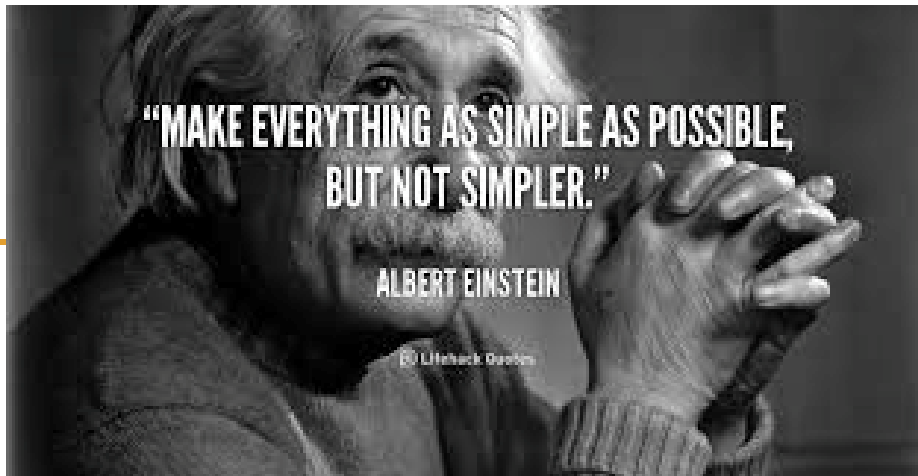
NEW & IMPROVED
VERSION 2.0
Available Now!

Current Value Frameworks Are Likely Not “Ready For Primetime”



Some Challenges in Current Value Frameworks





"It's supposed to be hard. If it were easy, everyone would do it."

--Tom Hanks,
A League of Their Own



④ Be Careful In Deciding How A Framework Can Be Used



FEDERAL REGISTER
The Daily Journal of the United States Government

Medicare Program; Part B Drug Payment Model

A Proposed Rule by the Centers for Medicare & Medicaid Services on 03/11/2016

Value-Based Pricing Strategies* (Phase 2)

- Reference pricing
- Indication-specific pricing
- Outcomes-based risk sharing

*depends upon a recognized
value framework

Because...

One size
does **NOT**
fit all.





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Value, Value Everywhere...



Joseph Antos, Scott Gottlieb

Monday, September 12, 2016 | 9:00 am - 11:15 am



Is the cure worth the cost? The debate over the price of specialty drugs



Many new medical innovations are both highly effective and expensive. Join AEI for a panel discussion on who should finance these important advancements and how.

ISPOR
Initiative on US
Value Assessment Frameworks
Stakeholder Conference

Friday, September 23, 2016
Washington, DC, USA

ispor.org/ValueAssessmentFrameworks

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Agenda



1. **Framing the Discussion: Why Assessing Value Is Important & Why It's Important to Do It Right**
2. **Moving Value Frameworks from Fledgling to Functional**
 - **Presentation of Research**
 - **Panel Discussion**
3. **Lunch**

Agenda (Continued)



4. Why Four Frameworks (Should) Arrive at Different Conclusions: A Case Study of Multiple Myeloma Reviews

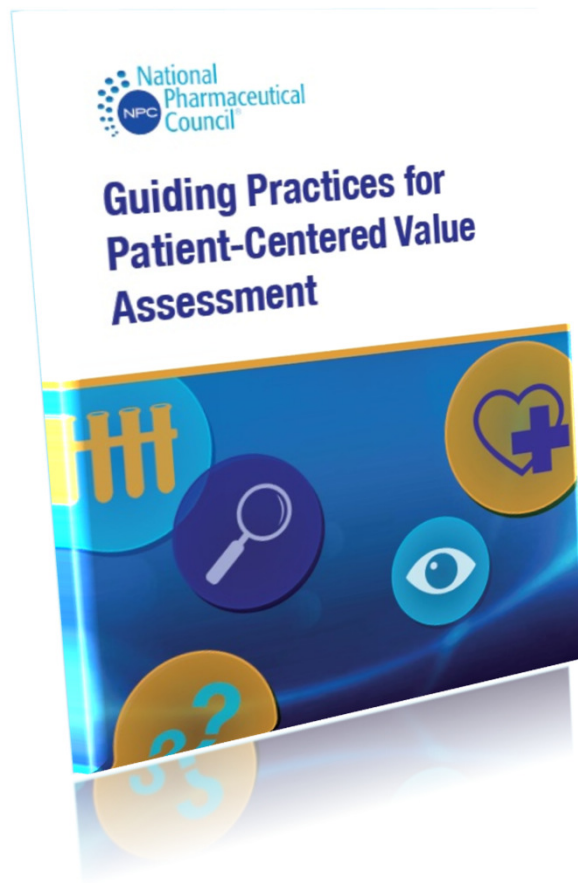
- Presentation of Research
- Panel Discussions:
 - Framework Developers
 - Stakeholder Perspectives

5. Summary/Adjourn

Moving Frameworks From Fledgling To Functional

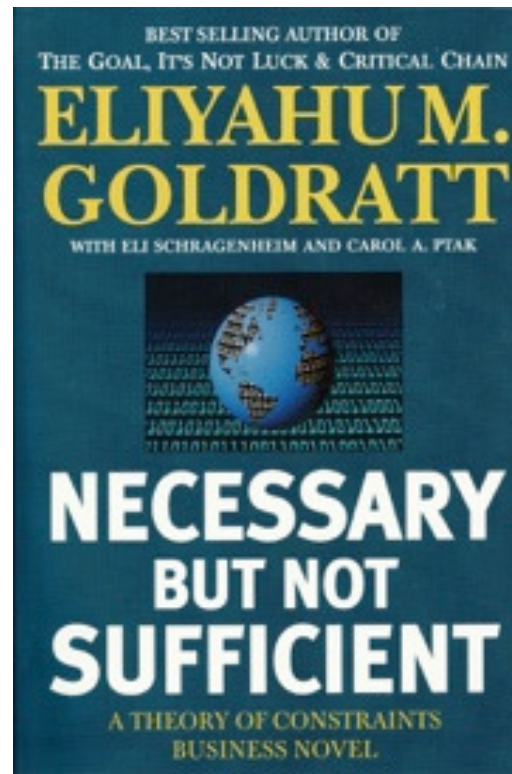


Project 1 – Do Frameworks Reflect Guiding Practices?



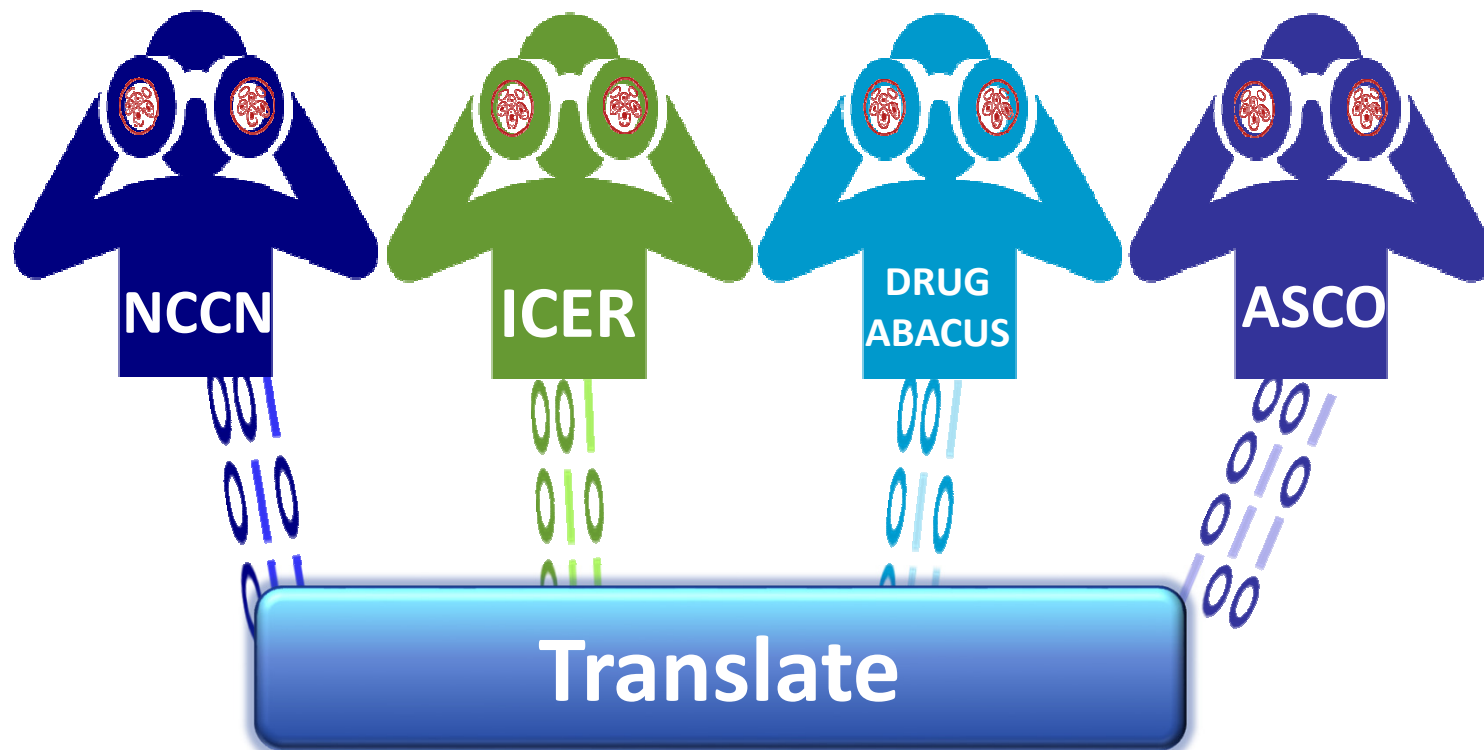
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<input checked="" type="checkbox"/>	<u>Costs</u>
<input checked="" type="checkbox"/>	<u>Evidence</u>
<input type="checkbox"/>	<u>Dissemination</u>

What Checklists Can Tell Us...(and What They Can't)





Project 2 – Why Four Frameworks (should) Arrive At Different Conclusions: Multiple Myeloma



Why The Differences?

By The End Of The Day, We Should...




- Identify ways for the field to advance
- Explore how frameworks should (not be used)

The Field Can Productively Advance By Considering...



1. What and how evidence is used
2. Patient perspective and involvement
3. How user preferences are incorporated
4. How reproducibility of findings can be enabled
5. Cost effectiveness both from a health care and a societal standpoint
6. Whether and how budget impact assessment is done

A close-up photograph of a person's hand holding a small, rectangular white paper strip. The strip has a simple smiley face icon (a circle with two dots for eyes and a curved line for a mouth) on the left side, followed by the text "I cannot help you, for I am just a cookie." in a black, sans-serif font. The background is out of focus, showing several cookies on a light-colored surface. One cookie is a round chocolate chip cookie, and others are heart-shaped and triangular cookies with yellow icing.

😊 I cannot help you, for I am just a cookie.

