

8th APAC

Value-based Healthcare Session: Sustainable Healthcare System

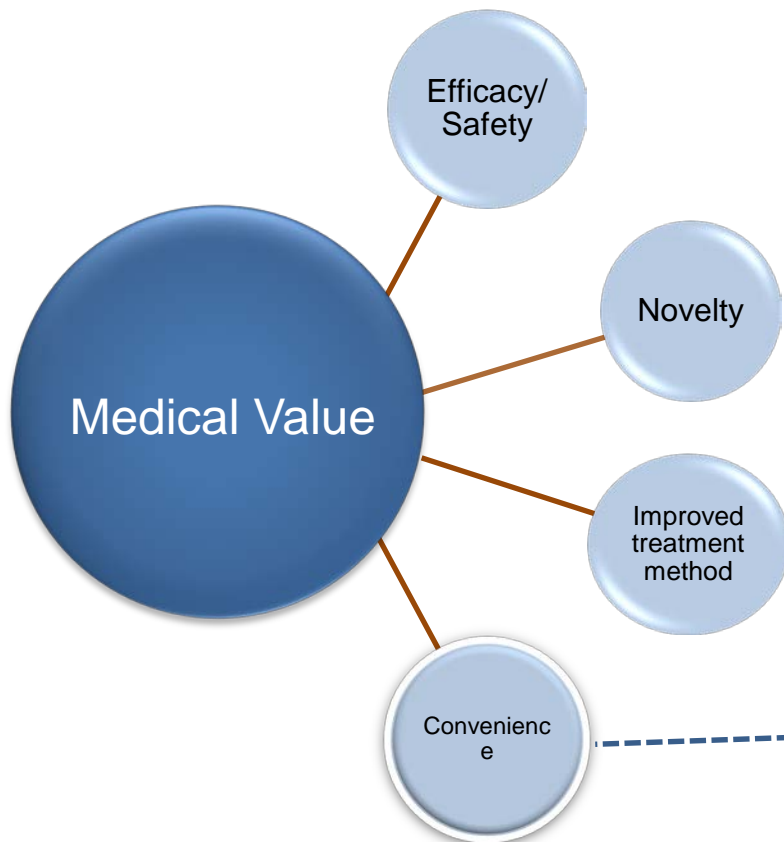
Panel Discussion

**"How do we approach a sustainable
healthcare system?"**

Multi-dimensional Value of Drugs

– Medical Value –

Not only values of efficacy and safety, to clear the pharmaceutical approval standards, but drugs that also bring value to the patient's treatment itself



Values which should be assessed

[Efficacy/Safety]

- Drugs recognized for high efficacy/safety

[Novelty]

- Drugs with novelty in clinical benefits

[Improved Treatment Method]

- Drugs recognized to improve treatment methods compared to existing drugs

[Convenience]

- Drugs reducing the burden on the patient
Example: Drugs recognized for improved adherence

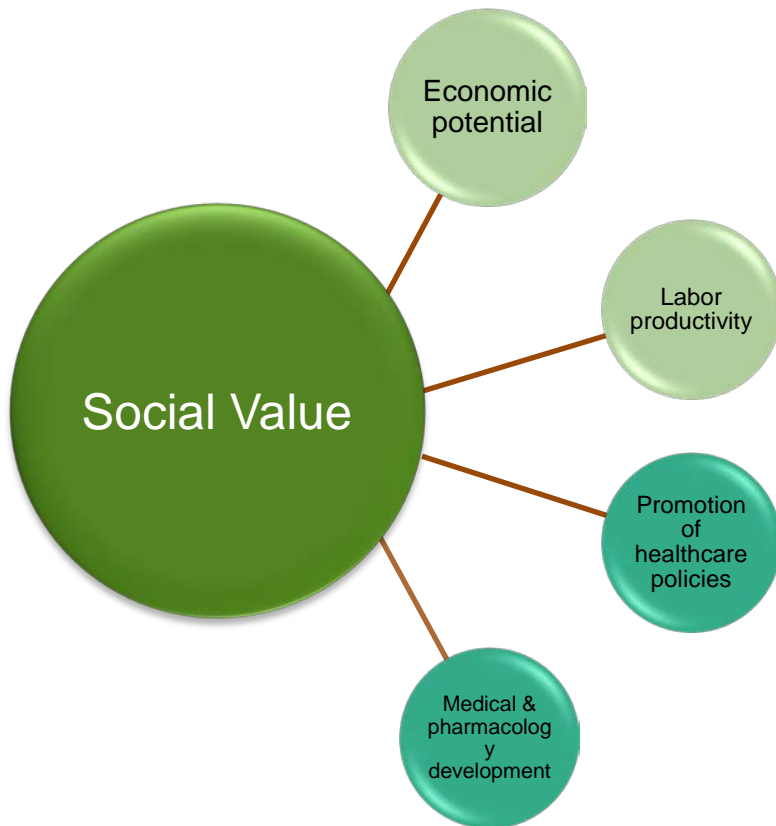
- Convenience should be included as a new evaluation axis
 - ✓ Convenience or ease of use experienced by the patient should be a value to be assessed

Multi-dimensional Value of Drugs

– Social Value –

Not only the value of the patient's treatment itself but also elements that add further value to the patients (and their families), healthcare professionals, and caregivers

Elements that add value, contributing to the promotion of medical and pharmacology development and the development of drugs required by policy



Values which should be assessed

[Economic Potential]

- Enables efficient consumption of medical resources
Example: Enabling drug administration to the appropriate patient through companion diagnostics

[Labor Productivity]

- Elements that provide change to the lifestyles of patients, their families, and their caregivers to support the economy and society, by enabling the patient social rehabilitation and employment, etc.
- Elements which reduce the burden of healthcare professionals and caregivers
Example: An inpatient is able to receive treatment as an outpatient

[Promotion of Healthcare Policies]

- Elements for which development should be promoted as a policy
Example: Items subject to conditional accelerated approval, such as those of which the efficacy of treatment is difficult to determine; items contributing to solving social problems

[Medical & Pharmacology Development]

- Elements which foster the advancement of medical & pharmacology related technology
Example: Elucidation of pathology, or new modality

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**"How do we approach a sustainable
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Panel Discussion #1

**“Pharmaceutical and medical
treatment evaluation based on
Multi-dimensional Value”**

Health Technology Assessment; HTA

▪ Reaching a fair and efficient outcome requires a **multidisciplinary process to evaluate the social, economic, organizational and ethical aspects** of a health intervention or health technology. HTA is a systematic approach to evaluate the properties, effects, and impacts of health technologies or interventions. It can be applied to **medical devices, medicines, vaccines, procedures, health services, and public health interventions.** (WHO 2015)

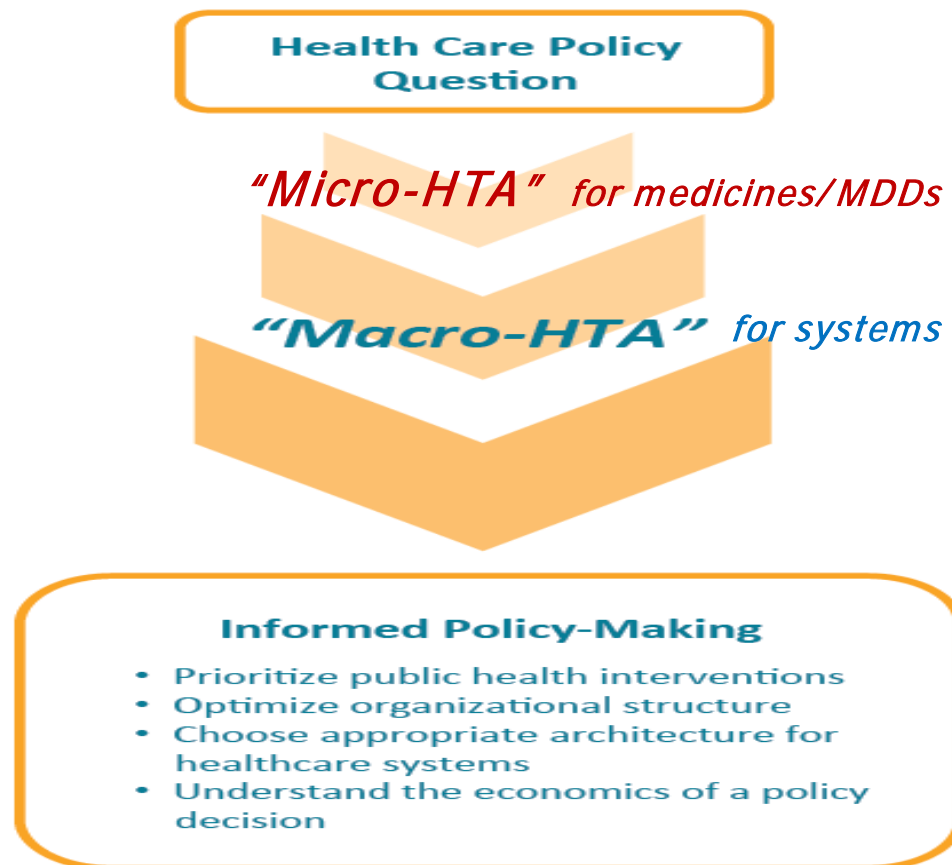
Health economic evaluation

Reference: WHO: 2015 Global Survey on Health Technology Assessment by National Authorities. 2015

Panel Discussion #1

**“Pharmaceutical and medical
treatment evaluation based on
Multi-dimensional Value”**

Two levels in HTA



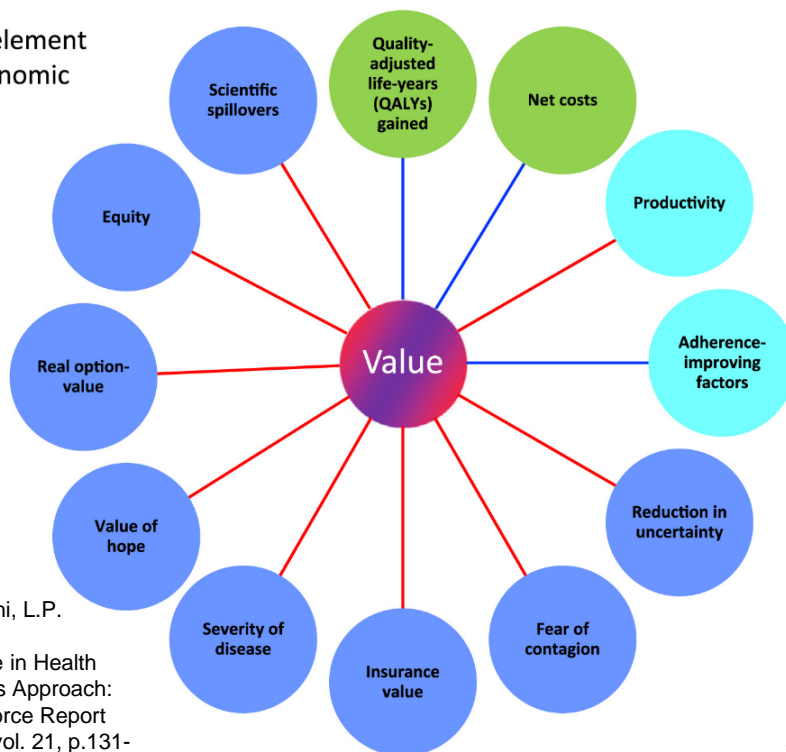
Reference: modified from
EFPIA Viewpoint: Health
Technology Assessment (HTA)
Application in Select Markets and
Implications for Japan (2015)

Panel Discussion #1

**“Pharmaceutical and medical
treatment evaluation based on
Multi-dimensional Value”**

Potential Elements of Value for Augmented CEA

Challenge: Map each element into an underlying economic framework for value assessment.



Core

QALY gained

Net cost

Common / inconsistently used

Productivity

Adherence-improving factors

Potential novel

Reduction in uncertainty

Fear of contagion

Insurance value

Severity of disease

Value of hope

Real option-value

Equity

Scientific Spillovers

value element included in traditional payer or health plan perspective
 value element also included in societal perspective.

D.N. Lakdawalla, J.A. Doshi, L.P. Garrison Jr, et al.
 Defining Elements of Value in Health Care—A Health Economics Approach: An ISPOR Special Task Force Report
 [3] Value in Health, 2018, vol. 21, p.131-139

Panel Discussion #1

**“Pharmaceutical and medical
treatment evaluation based on
Multi-dimensional Value”**

Japan's Characteristics of cost effectiveness evaluation

1) Using as one of the drug pricing system

2) Difference from foreign countries

➤ *Ex post vs Ex ante* : impact on drug lag

(Not using for initial reimbursement pricing decision)

➤ Not for rare diseases, diseases without other treatment alternative

(Selection of items with high innovation and high price)

3) Useful tool to **shift resources from long-listed products and generics to innovative products**

Panel Discussion #1

**“Pharmaceutical and medical
treatment evaluation based on
Multi-dimensional Value”**

Panel Discussion #2

“Wise Spending”

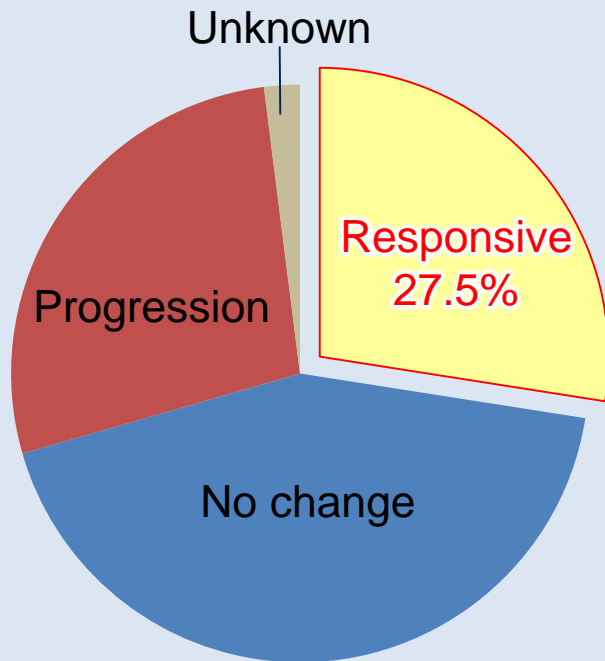
The response rate increased significantly based on genomic information

Gefitinib (Iressa®)

In cases of lung cancer with EGFR* gene mutations, the response rate increased significantly
→ Avoid administering to non-responsive cases

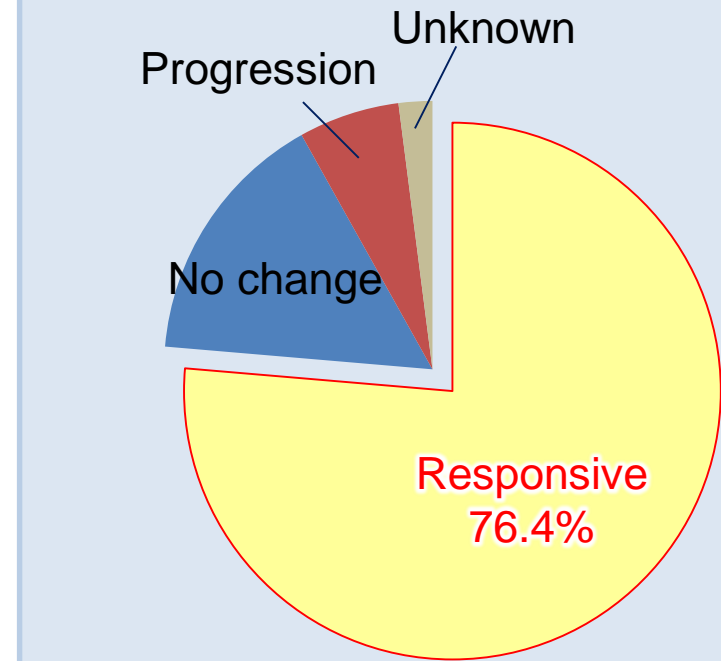
【2002】

No mutation



【2011】

EGFR mutation



* Epidermal growth factor receptor

Panel Discussion #2

“Wise Spending”

Pharmaceutical Innovation and Access to Medicines

Executive Summary



Five Options to Make the System Work Better for All

OECD: *Pharmaceutical Innovation and Access to Medicines*, 2018

- A. Involve stakeholders in joint efforts to reduce the costs of R&D and accelerate market access.
- B. Increase spending efficiency. --- Facilitating cooperation in HTA
- C. Determine willingness to pay for new treatments and health benefits.
- D. Develop new push and pull incentives for innovation.
- E. Strengthen the information base to better inform policy debates.

Panel Discussion #2

“Wise Spending”

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