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# *Economic evaluation and social value judgements – developments around NICE appraisals*

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# Background

- ScHARR/ NICE activities
  - Decision Support Unit, Technology Appraisals, Clinical guidelines, public health, interventional procedures, etc
- Development of methods guides in 2004, revised in 2008
- Appraisal methods considered world leading
  - Challenges have arisen around the value judgements embodied in this approach
  - Ties in with broader expertise in ScHARR around equity



# Appraising end-of-life treatments

- From January 2009, additional weight is given to treatments that extend life for patients with a short life expectancy
  - No evidence provided to support this change
  - Recommended that research be carried out
- 3 cancer drugs recommended in 2009 under these criteria (Sutent for renal cell cancer the 1<sup>st</sup>)
  - Approximately double the weight being given to health gains
- DSU funded literature review and primary study
  - Do individuals place greater weight on length than quality of life when life expectancy is short?
  - Does society place greater weight on health gain in patients with short life expectancy?



# Treatments for rare diseases

- Feasibility study conducted by ScHARR on appraisal of ultra-orphan drugs
  - (case study was Enzyme Replacement Therapy for Gaucher's disease)
- Can/should standard methods of technology appraisal be used for drugs for very small patient populations?
  - Debate around whether additional weights for these treatments/patients?
  - Should the NHS pay a premium for "rarity"?
  - Or should any incentives be focussed at research and development stage? e.g. longer patents
- Many of these issues have returned recently in the form of "innovation"



# Incorporating equity considerations into CEA

- What are the characteristics of patients/treatments/diseases that the general public believe are more valuable than others?
  - How much greater weight should be allocated to health gains in these groups?
- } SOCIAL QALY projects
- Even if robust weights are available, not so straightforward to incorporate into cost effectiveness:
    - Technical challenges
    - Need to factor out some implicit assumptions if explicit equity weights to be factored in

# Summary

- Pressures on NICE and other decision makers to continually reconsider the “QALY is a QALY” approach
- Aim is to:
  - Better reflect societal preferences in analysis
  - Make economic evaluation more useful to decision makers
  - Reduce need to “take into account and bear in mind” (ref: Jack Dowie)
  - Fully understand and respond to the claims that are made by those with vested interests in the outcomes of NICE decisions
- Future developments: Multi-criteria Decision Analysis