

Toward greater efficiency and equity in healthcare resource allocation: Dr Panos Kanavos to lead consortium in ADVANCE_HTA European Commission FP7 grant

Healthcare policymaking is increasingly driven by the need to reconcile mounting healthcare system demands with constrained resources. This is particularly true for medical technologies such as pharmaceuticals, medical devices and diagnostics, which comprise a sizeable proportion of healthcare budgets. In the health policy sphere, efforts to match resources with demands are often centred on devising and implementing policies that deliver greater value for money. The undertaking of value assessments for medical technologies by way of Health Technology Assessment (HTA) is one such policy lever that can be deployed in achieving this end. Through the rigorous evaluation of clinical and pharmaco-economic evidence, together with relevant stakeholder perspectives, HTA endeavours to inform healthcare resource allocation and decision-making at the micro-, meso-, and macro-levels of the healthcare system.

In the approximately 30 years of the development of HTA, a substantial body of literature has emerged, providing critical evaluation of the underlying methodologies that motivate the practice and application of HTA. In an attempt to investigate these areas in greater depth, **Dr. Panos Kanavos**, Deputy Director of LSE Health and Programme Director of the **Medical Technology Research Group (MTRG)**, has brought together 13 partners from 9 EU Member States and the US to form a unique consortium: ADVANCE_HTA. The project is funded through the European Commission's Seventh Framework Programme, and builds upon Dr Kanavos' prior research contributions in areas such as comparative HTA. ADVANCE_HTA is comprised of six, complementary streams of research that aim to advance the underlying methodologies of HTA, and to inform the debate by way of:

1. The systematic exploration of different approaches to ensure **value for money** in resource allocation decisions;
2. The investigation of alternative frameworks for **value assessment** and their implementation, including the consideration and incorporation of relevant and multiple criteria in the decision-making process.
3. The development and validation of a framework for the improved assessment of **orphan drugs for rare diseases**.
4. The creation of robust, patient-relevant data by drawing upon and conducting **preference elicitation** among the EU-wide patient community, with a view toward informing quality of life measurement instruments such as the EQ-5D.
5. The identification of strategies for the adaptation and extension of current HTA best practices to different categories of **medical devices**.
6. The synthesis of lessons learnt from streams 1-5 in order to propose a set of HTA principles that encourage **capacity building of HTA** in emerging jurisdictions.

Given the span of geography implicated in ADVANCE_HTA, the outputs will be broad in impact, while also providing local relevance. As it relates to the UK context, the three-year initiative represents an opportune undertaking as the **2009 Pharmaceutical Price Regulation Scheme (PPRS)** comes to a close in December 2013. Replacing the PPRS will be a new value-based approach to pricing (VBP) of branded medicines, as originally outlined in the **Office of Fair Trading's (OFT) 2007 report**. In their recent **2010 consultation document**, the Department of Health highlighted the core elements of this new paradigm. In essence, it is envisaged that pricing exercises will retain the cost/QALY element, which will be supplemented by a value determination undertaken by an expert panel and formulated on the basis of the systematic consideration and quantification of multiple criteria. In paralleling the transition from the PPRS to VBP, it is hoped that the research outputs of ADVANCE_HTA will provide a robust body of evidence that will serve to inform the efficient and equitable operationalization of the new framework's principles.

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