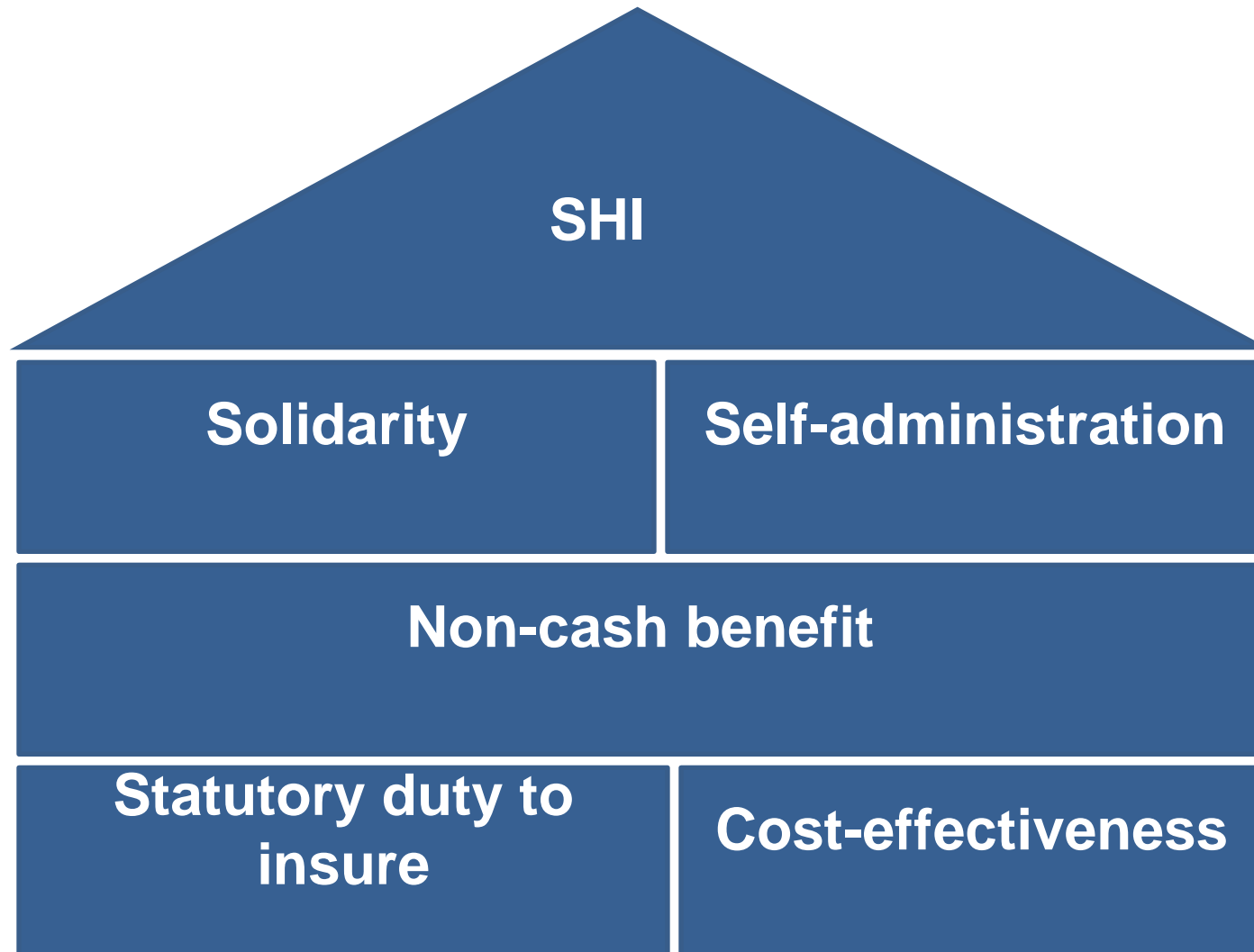


Is the search for a threshold compatible with the legal tenets of health care in Germany?

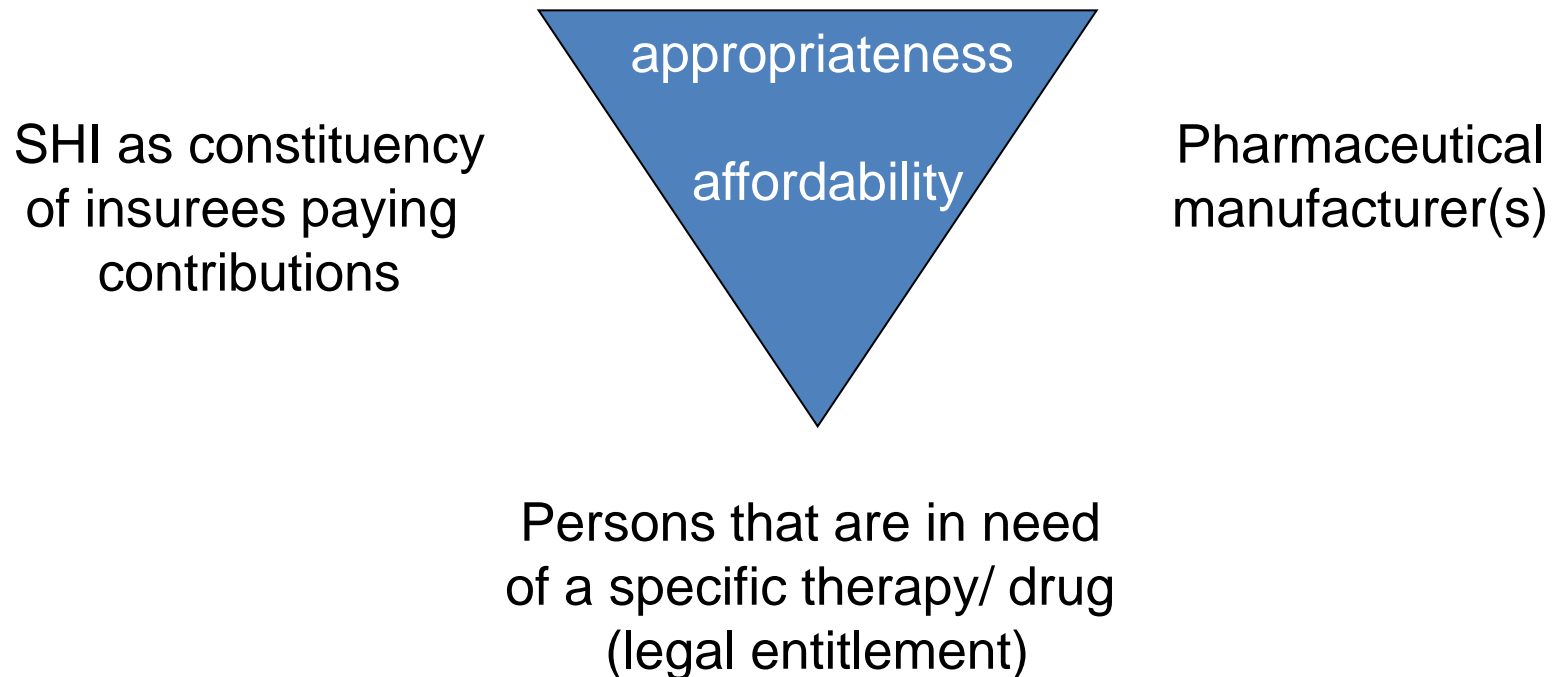
Andreas Gerber

Department of Health Economics

July 13th 2011



What is the question for health economics to answer in the German system?



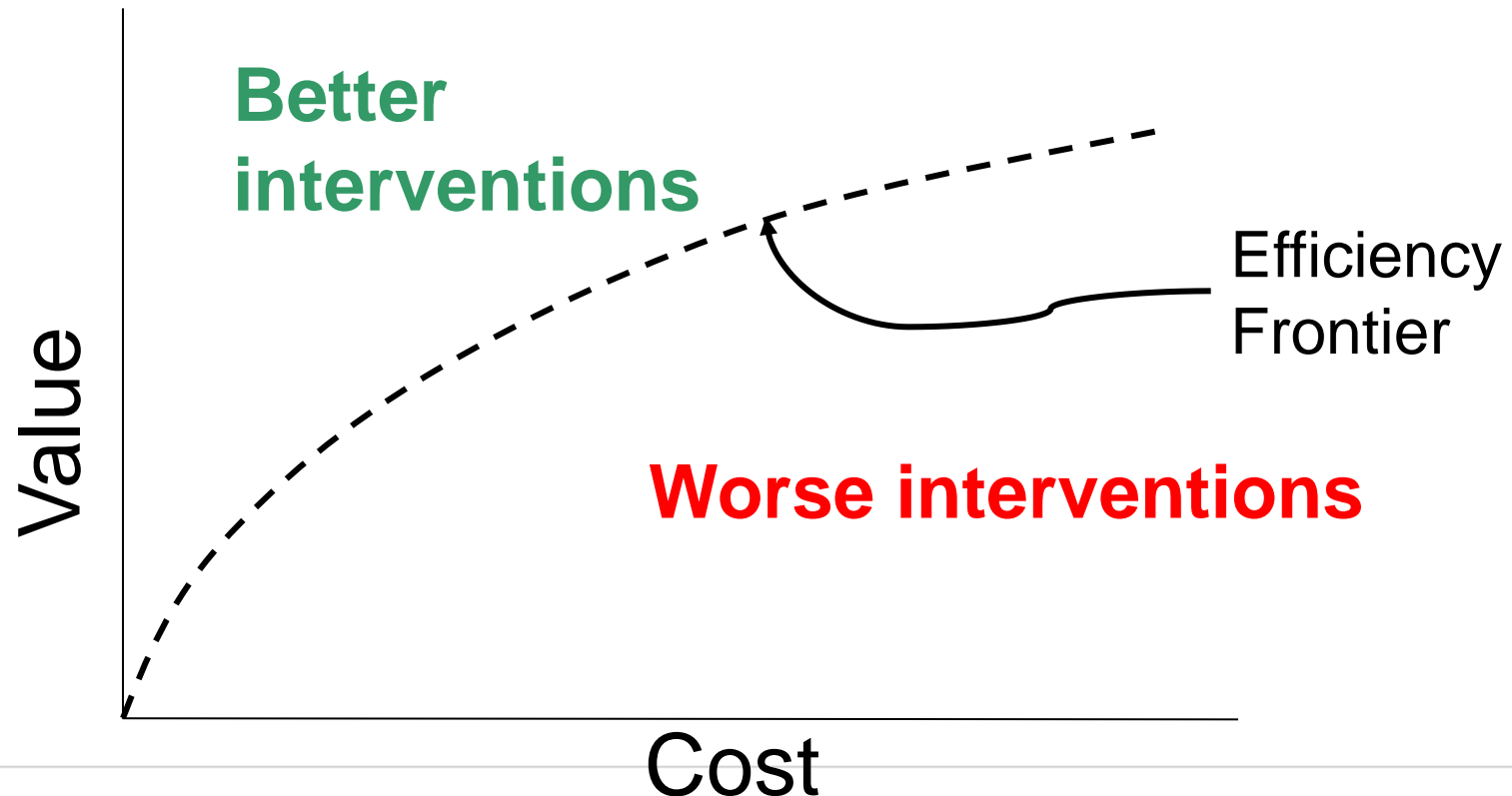
The resulting question/problem

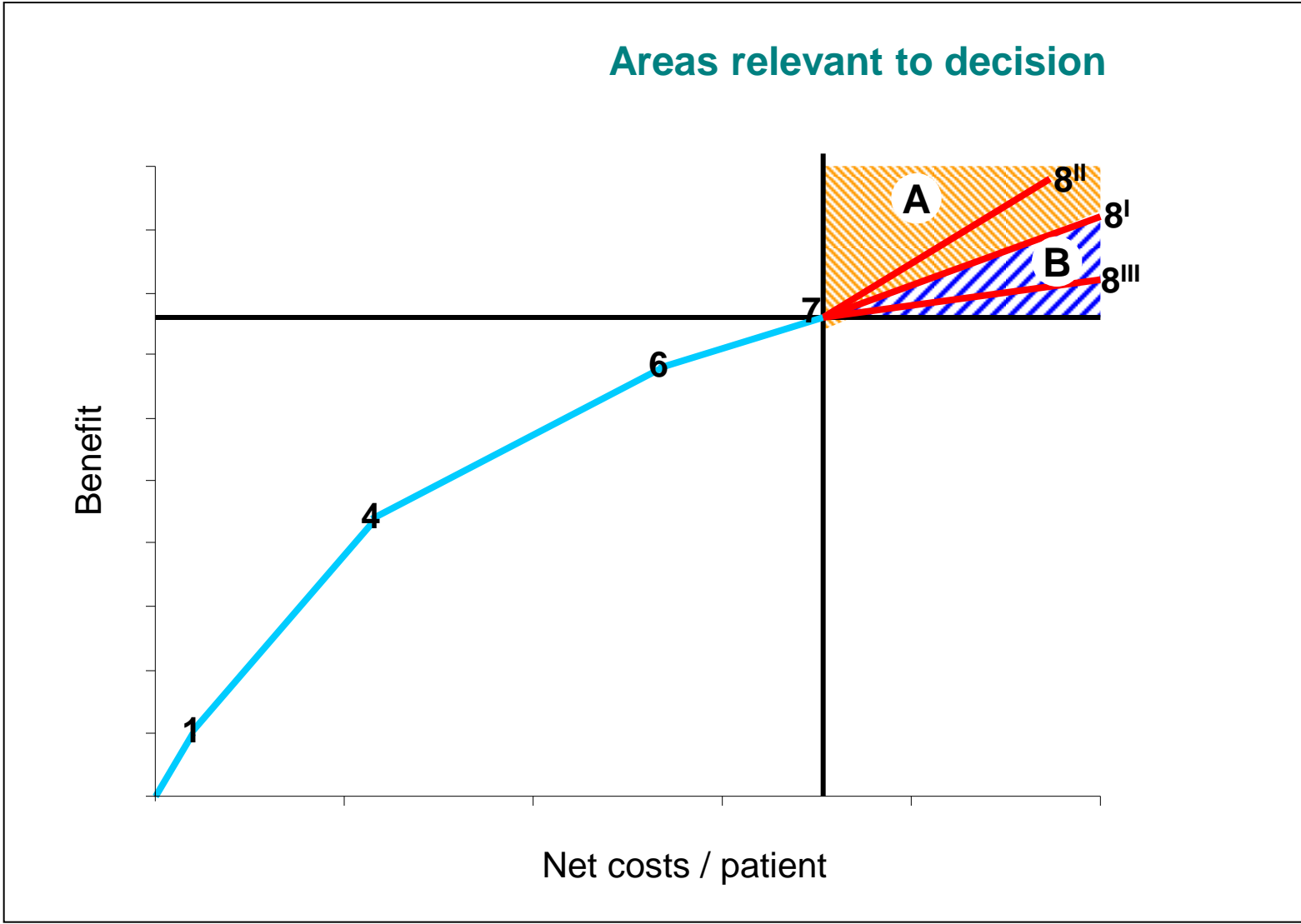
- How can you warrant medical treatment for people who depend on it,
- and finance it lest the paying insurees should be overburdened with increasing contributions
- while at the same time a pharmaceutical manufacturer should be reimbursed an appropriate maximum reimbursable price (on the basis of the market situation in that therapeutic field)?

OR:

- Not whether we should not provide services beyond a certain ICER, but at what price are we going to offer them?
- Question/problem is not about allocation *per se across diseases*

- ✓ An efficiency frontier should be constructed for each therapeutic area as the basis for economic evaluation of relevant health technologies
 - Reflects the “going rate” for benefits in a specific therapeutic area





Is there really a continuum?

Overall threshold	Various, but still overarching thresholds	No fixed threshold
for THE QALY ?	Life-saving-QALY Life-extending-QALY ? Quality-of-life-enhancing-QALY	Therapeutic-area specific measures (integrating benefit and harm)
	by specialty	

Do they really mean it?

Rarer and higher-valued (life-saving) QALYs (such as for **heroic**, or even some routine, types of surgery) could be paid for through having a lower threshold for more **common quality-of-life enhancing** types of QALY.

Heroic? Pancreatectomy with Pancreas cancer or CABG vs.
conservative therapy

Common quality-of life enhancing types of QALY? Rheumatoid arthritis
vs. erectile dysfunction

Questions that come up

- How to exactly define life-saving vs. life-extending?
 - How do you sort out specialties?
 - What about diseases across specialties (autoimmune diseases)?
 - What about different kinds of cancer?
 - Where to set the border between now and in the far distance?
-

Is there a need for a threshold?

- Philosophies: Needs-based vs. maximizing health?
 - Theories of justice (Rawls)
 - Problems of WTP: payer, insurees, patients: What are you going to tell them if it (still) overcedes the overall budget?
 - More on the benefit side, so no health economic analysis where we do not need it (2011 study on CABG in high risk patients): life-saving or life-extending?
-

Is there a need for a threshold?

- There is no basis, theoretical or empirical, for the idea that there is a single, universal threshold
 - This is recognized in the IQWiG methods, where the WTP is taken to be specific to the therapeutic area
 - If one wishes to compare across therapeutic areas, then the valuations must be done specifically
 - Budget constraints in Germany: cost containment, disinvestment from the basket, efficiency resources
-

Dillenburger Straße 27
51105 Cologne, Germany

Tel. +49-221/3 56 85-0

Fax +49-221/3 56 85-1

info@iqwig.de

www.iqwig.de

