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Performance of drug reimbursement systems

A comparison of the Austrian, Belgian, Dutch, French and Swedish systems

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Drug reimbursement systems: international comparison and policy recommendations. Brussels: KCE reports 147C. Available at: www.kce.fgov.be

Research objective & method

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Objective:

Compare European drug reimbursement systems to:

- *Obtain insight into strengths and weaknesses*
- *Formulate policy recommendations*

Method:

Policy documents, literature review, interviews, analytical Hutton framework[1], Legitimacy Framework[2]

[1] Hutton J. et al. 2006. Framework for describing and classifying decision-making systems using technology assessment to determine the reimbursement of health technologies (fourth hurdle systems). *Int J Technol Assess in Health Care* 22(1):10-18
[2] Daniels N, Sabin J. Limits to health care: fair procedures, democratic deliberation, and the legitimacy problem for insurers. Philos Public Aff. 1997;26(4):303-50

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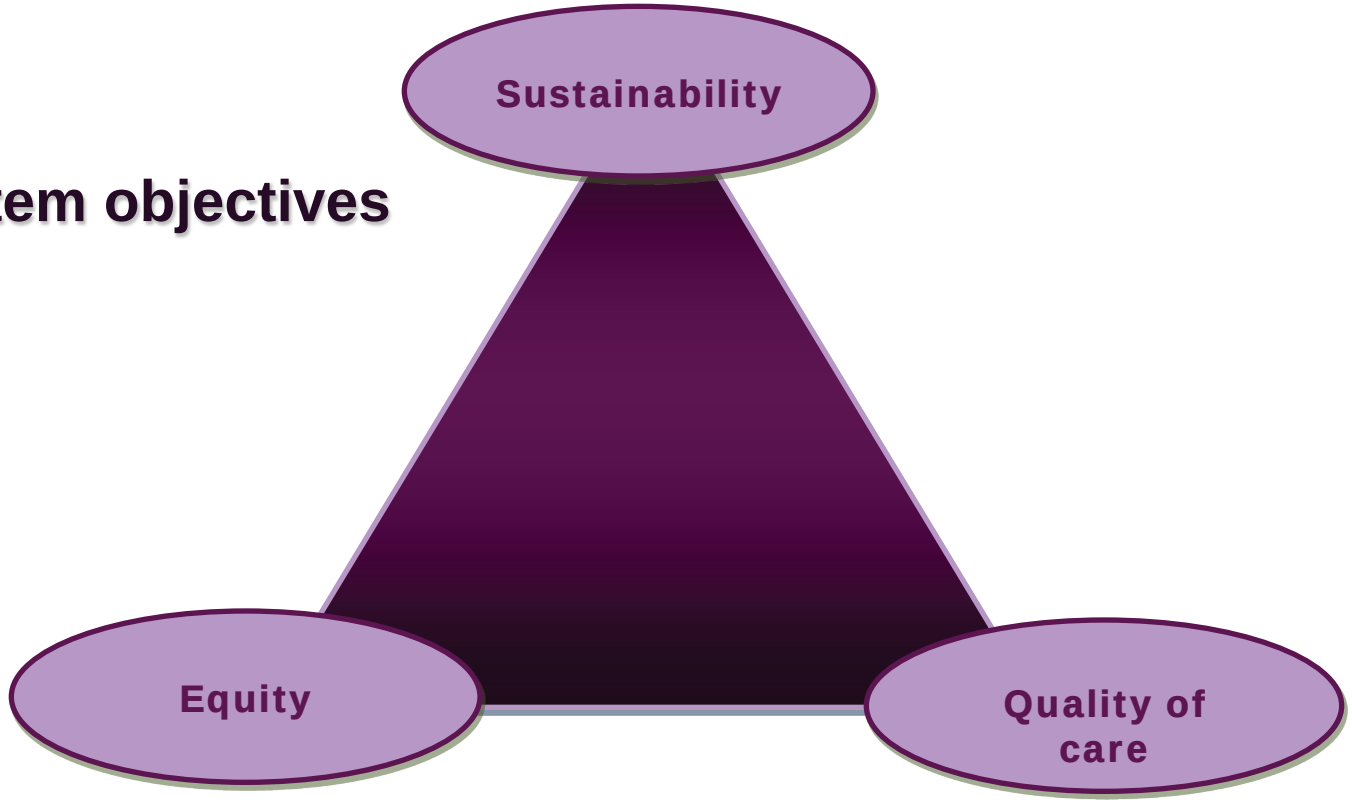
Drug reimbursement policy

System objectives



Policy implementation

- **Centralised independent reimbursement agency**
- **Supply driven system (case by case)**
- **Scope of the drug reimbursement system**
  - *Outpatient drugs*
  - *Inpatient drugs: not in AU + SW*
- **“Separated” pricing and reimbursement decision**
- **Impact assessment only on drug expenditure**

Assessment criteria

- **No explicit hierarchy in criteria**
- **Therapeutic value *(most prominent)***
  - *Efficacy & effectiveness*
  - *Safety & side-effects*
- **Cost-effectiveness**
  - *France: no*
  - *Actual c/e ratio (SW) versus robustness c/e evidence (AU & NL)*

Assessment versus appraisal

- **Separated process?**
- **No explicit hierarchy in assessment and appraisal**
- **Appraisal criteria**
  - *Added therapeutic value*
  - *Disease severity & rarity*
  - *Budget impact (not in SW, FR)*
- **Varying degree detail of operationalisation criteria**

Appraising value for money?

- **Added therapeutic value → higher reimbursed price**
  - *NL + BE: yes/ no*
  - *FR + AU: categories*
  - *SW: sliding scale*
- **Level of reimbursement**
  - *AU + NL + SW: 100%*
  - *BE + FR: varying levels*
- **No cost-effectiveness threshold (range)**

Reimbursement decision

- **Conditional reimbursement**
- **Financial risk sharing agreements**
  - *Price/ volume FR + BE (only a few contracts signed)*
- **Minister of Health: final decision *(BE, FR, NL)***
  - *Additional appraisal criteria (societal criteria)*
  - *Discretionary power*
  - *AU+ SW: no role on final decision*

Revision

- **Case by case revision**
  - *Ad hoc*
  - *Systematic: none (AU); specific groups (BE + NL); all (FR)*
- **Systematic group revision**
  - *SW and FR*
- **Consequences**
  - *Modifications reimbursement levels: BE, FR*
  - *Delisting: BE, FR, SW, (AU)*
  - *Awaiting: NL*

Legitimacy conclusions

- **Transparency: decision making process, especially appraisal, often not transparent**
- **Relevance: no explicit hierarchy in criteria**
  - *Therapeutic value most prominent*
  - *Role cost-effectiveness unclear*
  - *Disease severity & rarity seem to be important*
  - *Budget impact*
- **Revisability: limited use of systematic revisions**
- **Enforcement: outcome assessment only on expenditure**

Policy recommendations

- **Transparency**
  - *Disentangle assessment and appraisal*
  - *Operationalisation (societal) appraisal criteria*
- **Relevance**
  - *Use an explicit decision framework*
- **Revisability**
  - *Implement systematic (group) revisions*
  - *Use risk-sharing agreements*
- **Enforcement**
  - *Monitor equity and quality of care objective*
  - *Move towards a demand driven system?*