

Health economics in NHS market access

Jonathan Belsey

JB Medical Ltd

jbelsey@jbmedical.com

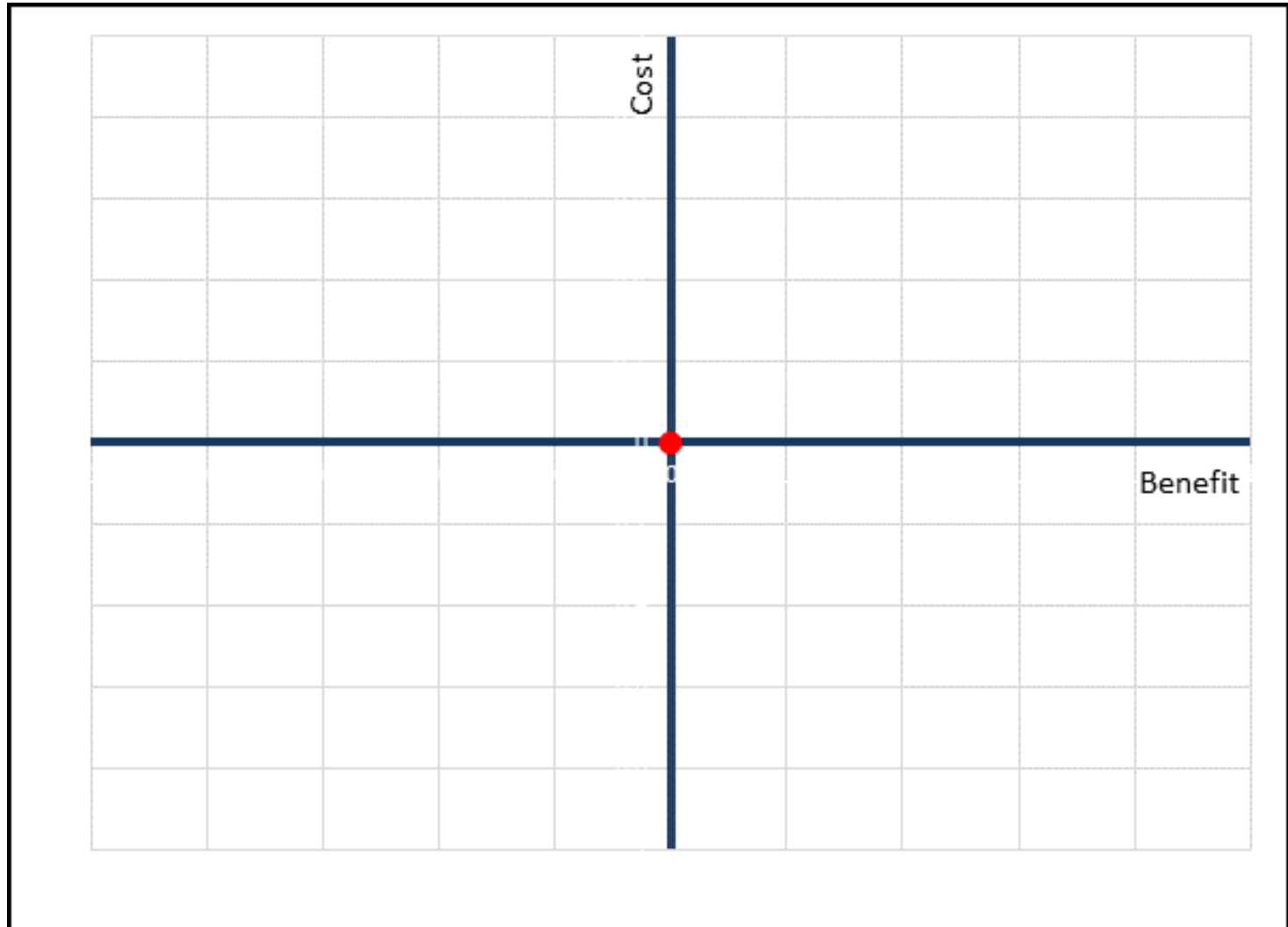
Commissioning of devices

- NHS appraisal mechanisms have evolved to deal with pharmaceuticals
- Similar approach now applied to medical devices
- NICE medical technologies evaluation programme offers formal HTA route
- Regardless of whether NICE route is followed, NHS Trusts will expect to see similar data

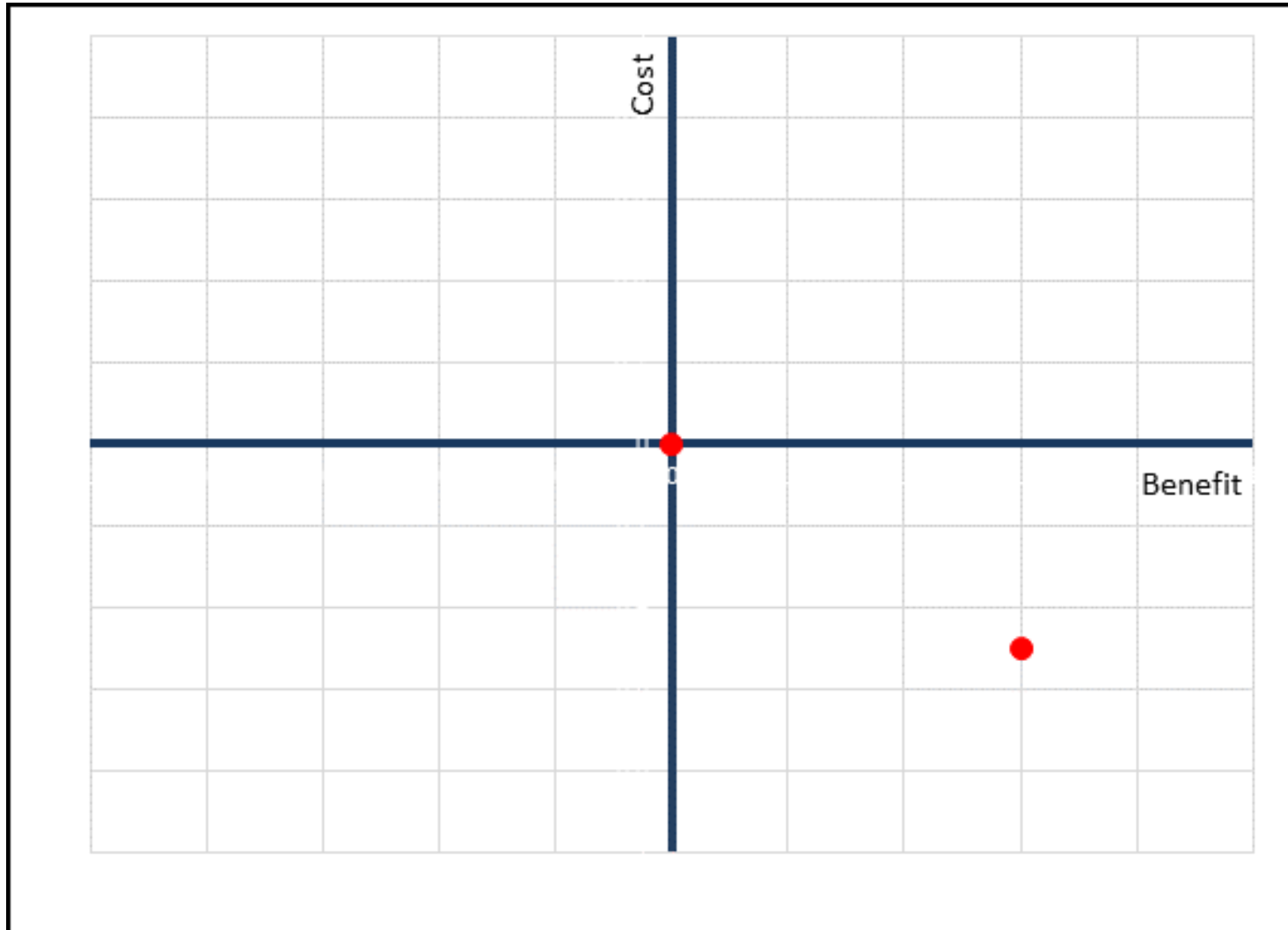
Key issues in NHS commissioning

- Is it better and/or safer than what we're currently doing?
 - = Clinical effectiveness
- Is it cheaper/better value than what we're currently doing?
 - = Cost effectiveness
- Can I afford it?
 - = Budget impact

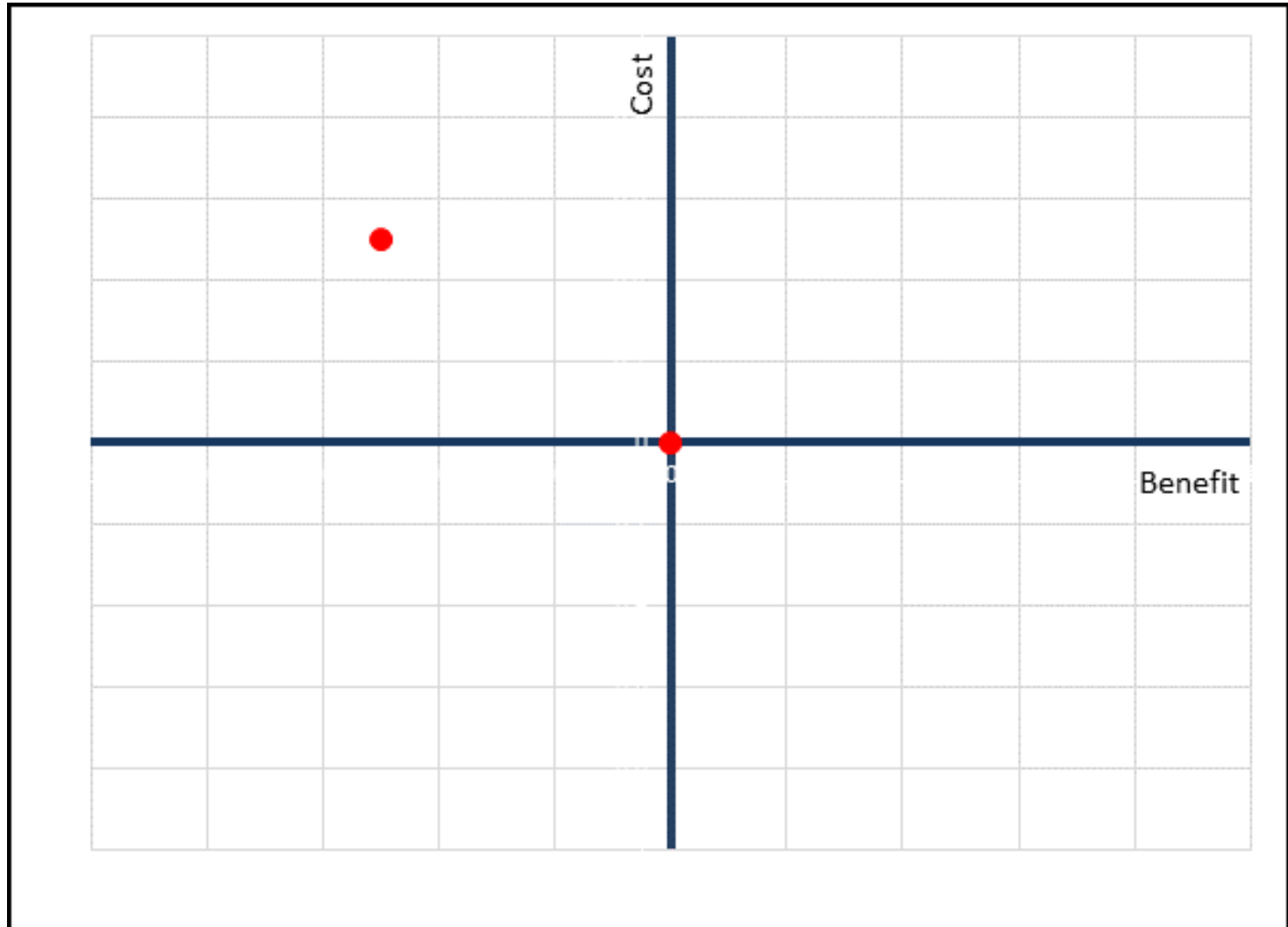
Cost effectiveness



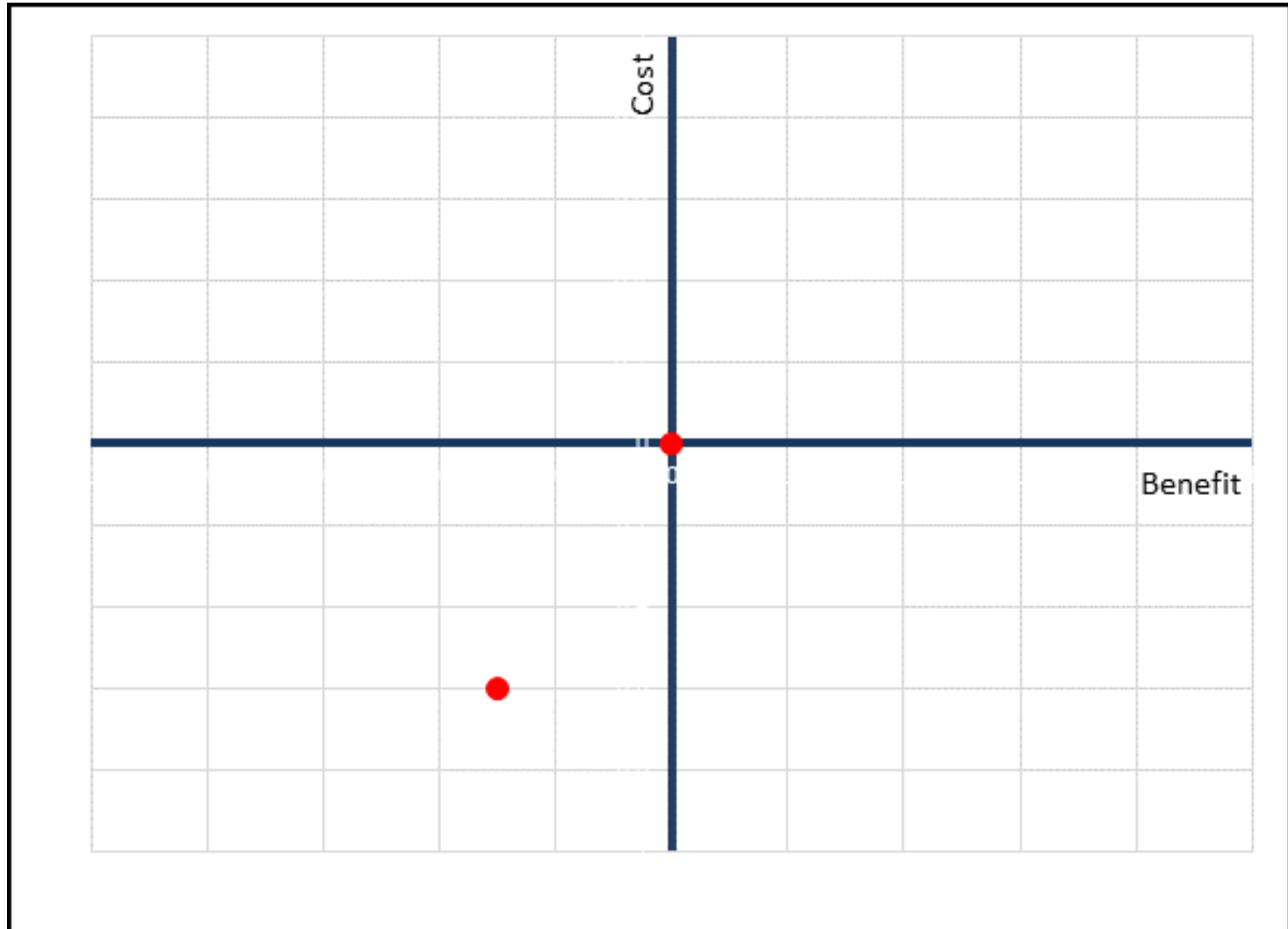
Dominant



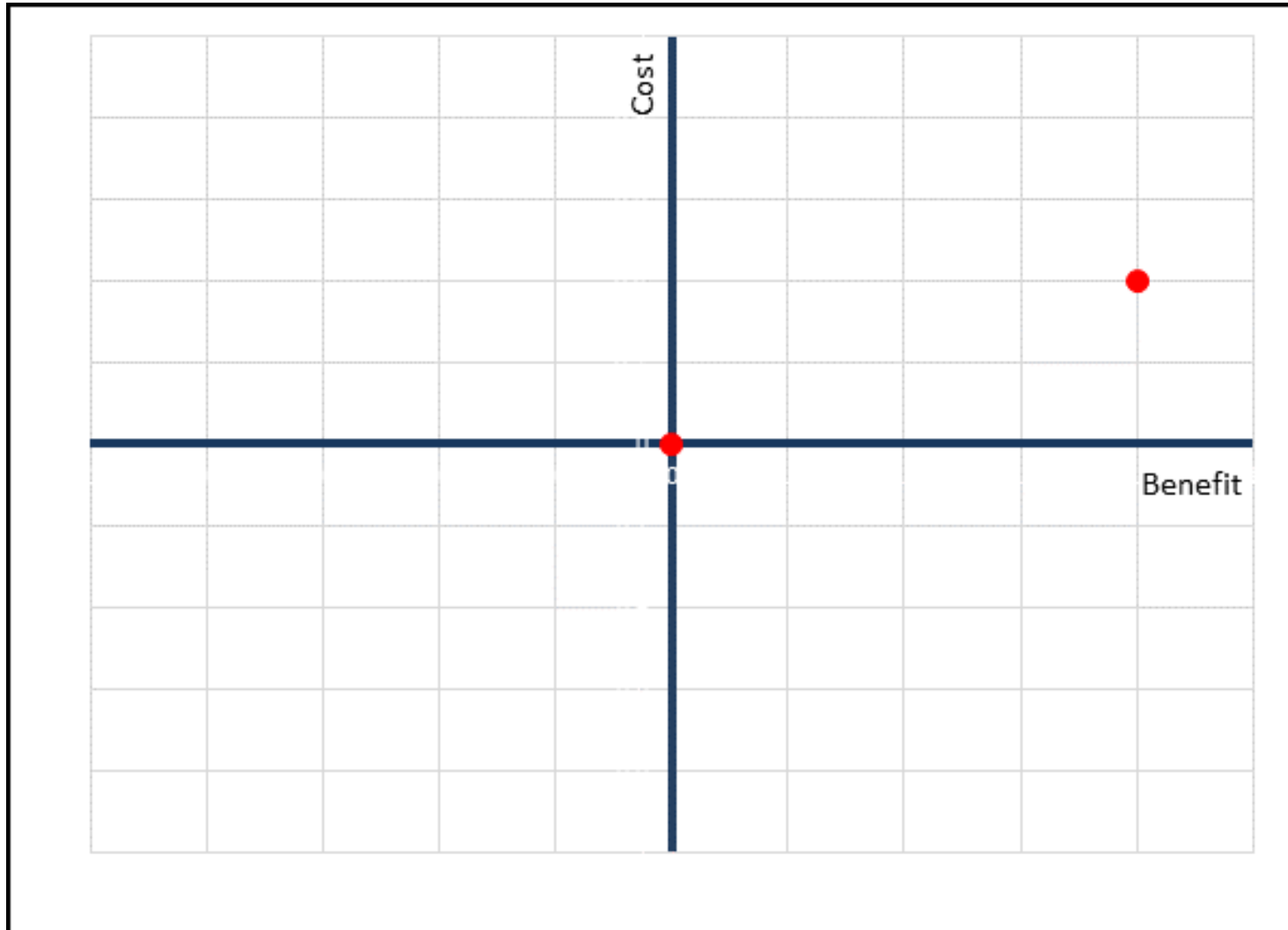
Dominated



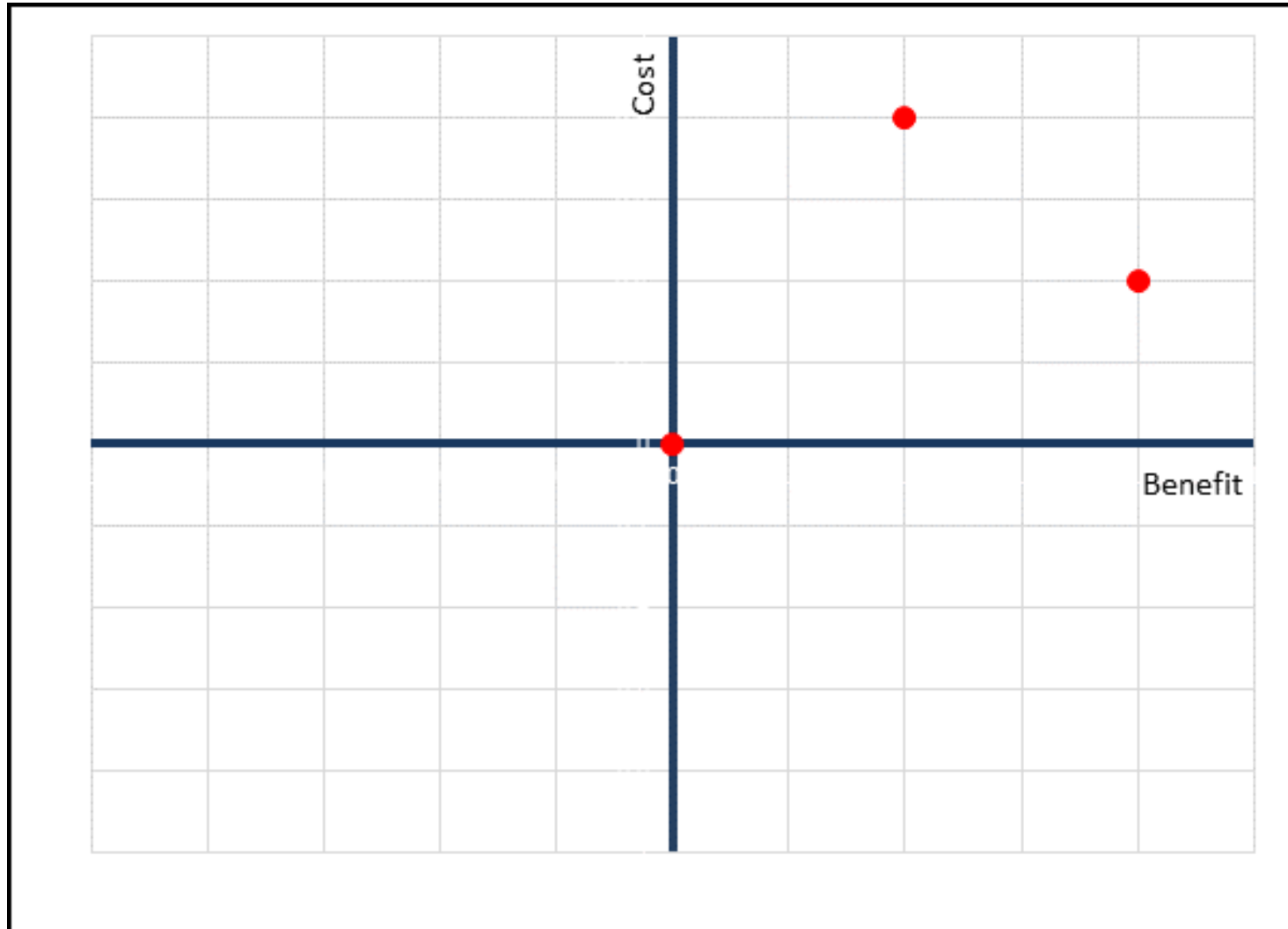
Questionable



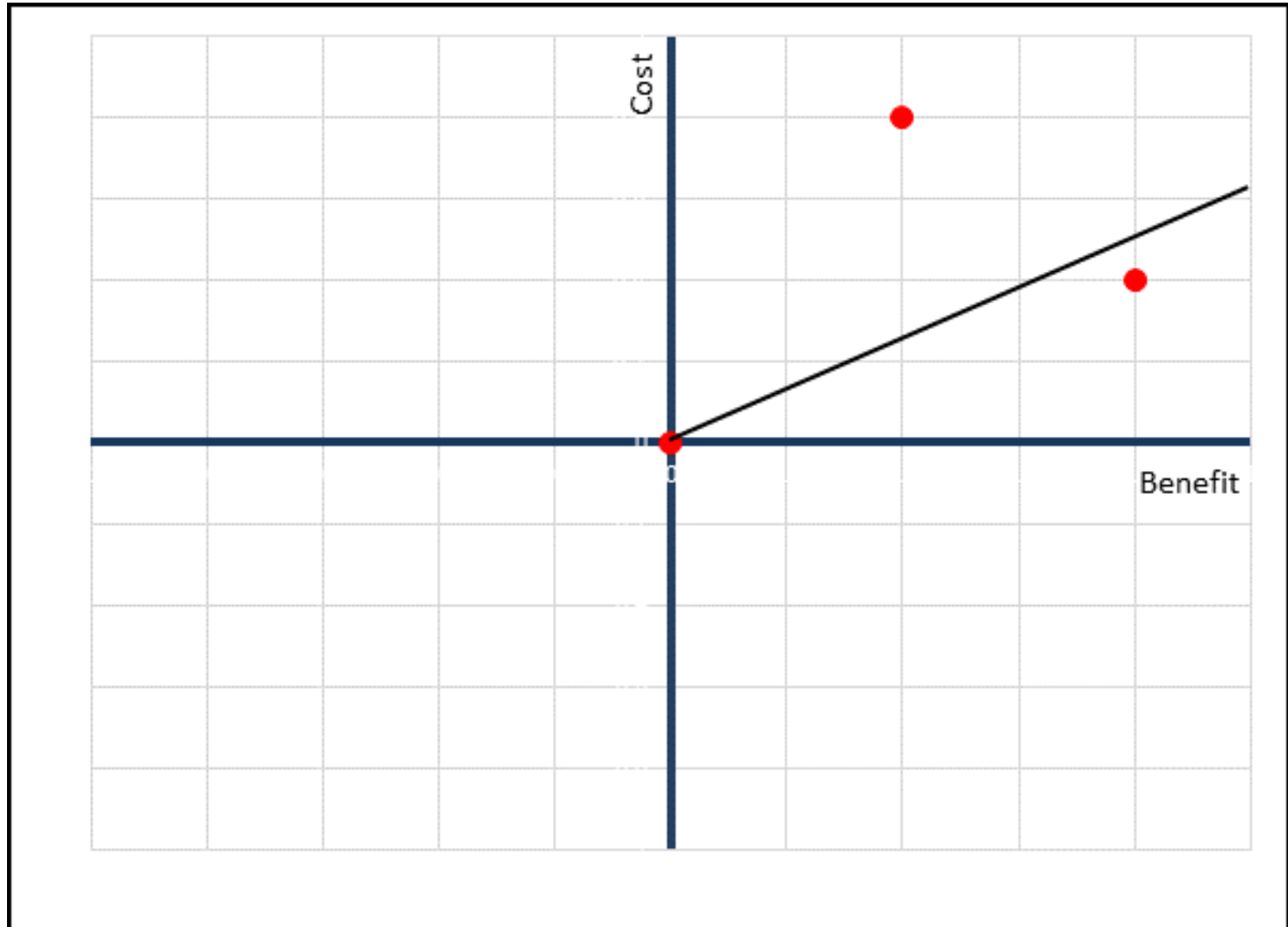
Cost effective



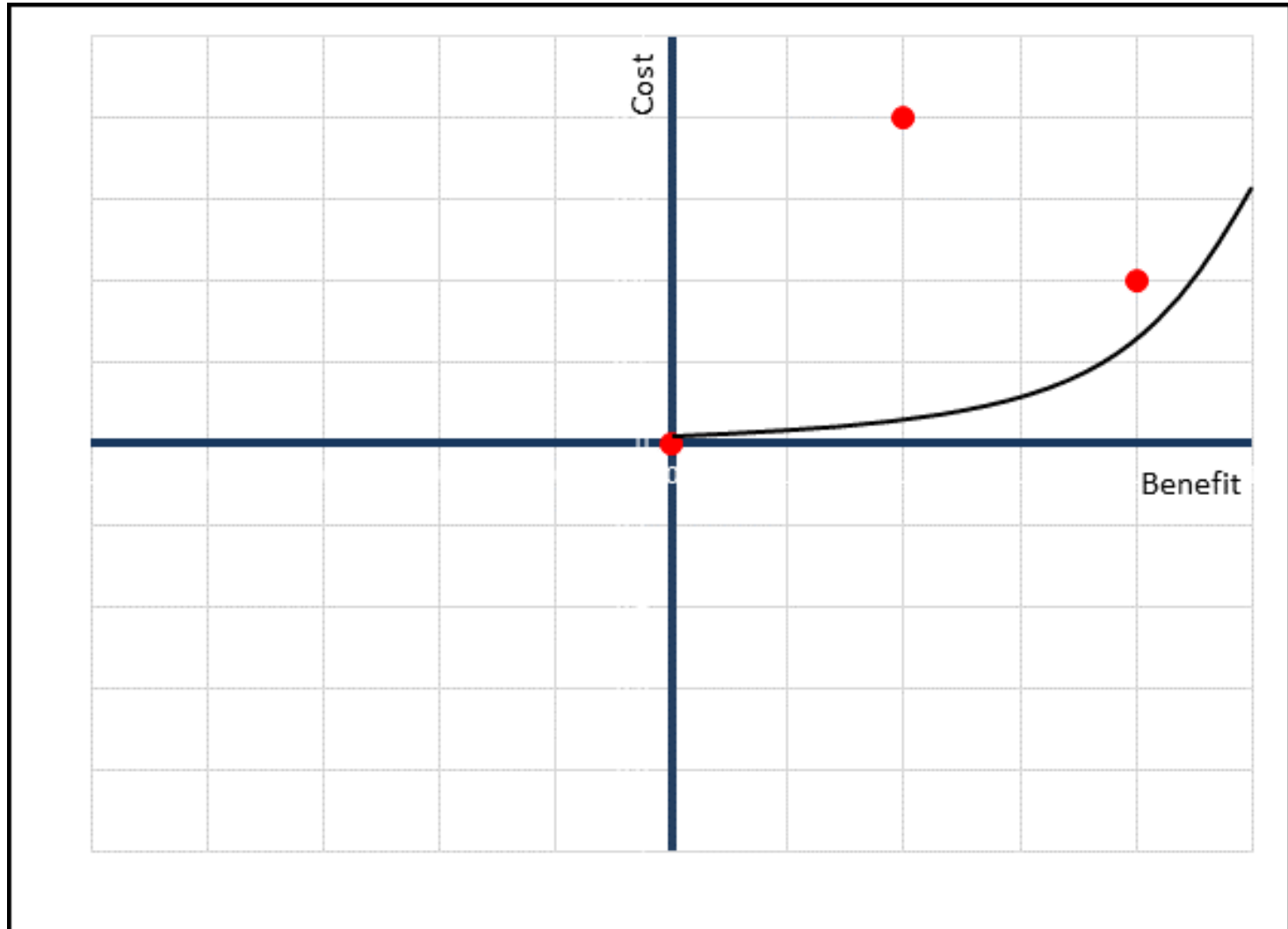
Comparison of two treatments



Willingness to pay – the theory



Willingness to pay – the reality



Budget impact

- NHS faces year-on-year real-terms budget reduction of around 2%
- Cost effective \neq affordable
- Successful NHS adoption hinges on:
 - Demonstration of cost effectiveness to the customer
 - Demonstration of actual savings to the customer
 - Identification of an appropriate and accessible budget
- Lack of budgetary access is the primary reason for failure of NHS uptake

Early steps to maximise future success

- Identify true customer for technology (follow the money)
- Familiarise yourself with the budgetary framework and potential access points
- Define data needs for future adoption:
 - Clinical benefit
 - Resource utilisation
 - Displaced technologies etc
- Build these outcomes into research programme from day 1