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REIMBURSEMENT RECOMMENDATION PROCESS IN BRAZIL: CITEC SUBMISSIONS PROFILE

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OBJECTIVES: To access and understand the main characteristics of the Reimbursement submission process and HTA recommendations in Brazil. **METHODS:** This is a crossed analysis of secondary data displayed by the Brazilian new technology incorporation committee (CITEC) regarding the quantity and characteristics (disease, submitter, type of health technology, and year of submission) of the submitted protocols versus quantity and characteristics of the recommended health technologies. **RESULTS:** In 3 years of existence, 216 Health technologies (mean of 48 submissions per year) were appraised by the commission resulting in 22 positive recommendations and XX Negative recommendations. For the reconvened Health technologies, the median time from submission and recommendation was 1 year. Oncology and Rheumatology are the main submissions groups by disease (12% and 11%, respectively) and Hepatology and Rheumatology are the most recommended groups by disease (18% and 14% respectively). Manufacturers are the main submitters (74%), followed by the own federal government. 5% of the submissions was made by mixed submitters that can be characterized by research partnerships between manufacturers, academia and government. **CONCLUSIONS:** This finds suggests that the conduction of HTA recommendation and adoption process is already a reality in Brazil and the decisions are based not anymore only in political issues but are strongly based on clinical and economical issues too. As a new process in the country, modifications as time to response and establishment of a Brazilian ICER during the next years can improve the results for CITEC and submitters.

HEALTH CARE USE & POLICY STUDIES – Formulary Development

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CURRENT AND FUTURE USE OF PHARMACOECONOMIC AND OUTCOMES RESEARCH DATA IN DECISION-MAKING IN THE USAHoltorf AP¹, Keskinaslan A², Biskupiak J³, Brinxer D⁴

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OBJECTIVES: To understand how PEOR data are used in decision making today and how this may change in future. The methodology and quantity of Pharmacoeconomics and Outcomes Research (PEOR) has advanced considerably over the last decade. With increasing utilization of health care, prioritization becomes unavoidable and PEOR evidence should be increasingly valuable to supplement efficacy and safety data for reimbursement and access decisions. **METHODS:** An internet based survey with 30 items was conducted among decision makers from the USA in April 2010. **RESULTS:** The 76 respondents represented organizations with national (54%), regional (32%) or local coverage (14%). Membership varied from 50,000 to 100million with a median of 500,000. While 70% of the respondents claimed that PEOR data are used regularly, only 5% indicated coverage by the bylaws of their organizations, and 66% of the users indicated that there is no quality standard for PEOR being used by the organization. The majority of the respondents expected increasing use of PEOR in the future (77%). Organizational requirements to such adoption included 'more HEOR expertise', better definitions and standards of methods, in-house data analysis expertise, and regular re-evaluation. Outcomes based evidence is increasingly used in contracting (37%) and 73% expected an increased use in future with the perceived value of reduced financial and clinical risk. **CONCLUSIONS:** PEOR is used often in decision making in the USA. However, few organizations defined quality criteria for PEOR. There is a consistent expectation that there will be an increasing use of this data, along with a concern regarding a lack of expertise to evaluate this information in their organizations. Improved standards for quality control of such evidence are needed. Another survey will be targeted to the systems and decision makers in selected European countries to compare the utilization of PEOR in the different decision making environments.

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ASSESSING THE ADDED VALUE OF NEW DRUGS: A MULTIDIMENSIONAL APPROACH

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OBJECTIVES: In November 2008, the Program for the Assessment, Monitoring and Reimbursement of High Complexity Drugs (PASFTAC) took effect in Catalonia and the Committee for the Assessment of Hospital Use Drugs (CAMUH) was consequently appointed to give recommendations on medicines use. Our aim is to develop a tool that embraces the multidimensional aspects of added value in drug assessment. **METHODS:** A qualitative approach (adapted expert panel) has been used. Participants included decision makers, health economists, experts on bioethics, clinicians and pharmacists. A previous detailed review of literature was conducted for the topic under discussion. **RESULTS:** Several dimensions and items were identified and discussed in a single meeting. Main identified dimensions included efficacy, safety and cost-effectiveness as well as clinical relevance of outcomes, unmet therapeutic needs, ethics, and cost-opportunity. Individual interviews were further conducted. Discussion and rating of dimensions and items within these will be performed in a second meeting. A pilot test will be conducted after a minimum of 10 drugs are assessed by the CAMUH (expected by September 2010). **CONCLUSIONS:** In a context of limited evidence

dimensions other than classical efficacy, safety and cost-effectiveness need to be considered at the time of assessing added value. This new tool will contribute to that task and standardize the process at a local level.

HEALTH CARE USE & POLICY STUDIES – Health Care Costs & Management

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APPLICATION OF PARETO'S PRINCIPLE TO UNDERSTAND COST DRIVERS IN HEALTH CARELong S¹, Misra A²¹Thomson Reuters, Cambridge, MA, USA; ²Thomson Reuters, Washington, DC, USA

OBJECTIVES: To determine if Pareto's principle (also known as the 80–20 rule) applies to health care expenditures in the US, and to describe the patients and treatments considered to be "cost drivers." **METHODS:** The study population consisted of persons <65 years that were continuously enrolled in the Thomson Reuters MarketScan Commercial Database during the years 2004–2008. Individuals were rank ordered highest to lowest according to their 2008 health care expenditures and assigned to the Cost Driver (CD) Cohort if their costs were within the 80% cumulative sum of the overall total expenditures. Clinical and cost characteristics were compared between 2004 and 2008 using Compound Annual Growth Rates (CAGR). **RESULTS:** 2008 total expenditures were \$27.5M among 4.2M covered lives; the CD cohort represented 27% of the overall study population. Mean annual expenditures in the CD Cohort were \$15,581 (16.1% CAGR). Outpatient services, inpatient services, and outpatient pharmaceutical prescriptions represented 42%, 29% and 28% of total expenditures in 2008. From 2004 to 2008, pharmaceutical expenditures grew 23% CAGR, while outpatient and inpatient expenditure growth was 15% and 13% respectively. Drivers of medical service expenditures in the CD group were visits related to osteoarthritis, renal failure, vaginal deliveries, bone and joint disorders, and low back pain. Drivers of outpatient pharmaceutical expenditures in the CD group were antihyperlipidemics, gastrointestinal drugs, antidepressants, antidiabetic agents, and anticonvulsants. **CONCLUSIONS:** In a large US database of commercially insured persons, 27% of individuals were accountable for 80% of health care costs incurred during the year 2008. Payers should consider targeted interventions for their cost driver populations; for example, intense targeted programs aimed at reducing obesity could yield large cost offsets since much of the incurred costs were for treatment of conditions that are sequelae of obesity.

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COSTS OF CARE UNDER A HEALTH CARE PLAN IN THE LAST 5 YEARS OF LIFE OF BENEFICIARIES—DATA FROM THE REAL WORLD

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OBJECTIVES: To examine, in the 'real-world' scenario of a Brazilian health care plan, the effect of proximity to death in beneficiaries on health expenditure during the last 5 years of life. **METHODS:** Retrospective analysis from data stored on the computerized system of the health care plan of 1897 beneficiaries who died between January 2007 and June 2009. The outpatient and hospital health services in the year of death and in the 4 preceding years were examined. The analysis was restricted to total direct costs with medical-hospital care. The variables (demographic, clinical and costs) were subjected to statistical treatment considering a confidence interval of 95%. **RESULTS:** Out of a total of 1897 deaths analyzed, the majority were male (60.4%) and were aged 60 or over (77.0%). The overall mean age of the deceased was 70.6 years (CI95% 69.9–71.4). The cost over the 60 months of the study was US\$64,427,852. This total, 66.8% was reimbursed in the year of death and the clinical admissions corresponded to 89.2% of the total. Among the main causes of death, neoplasia and chronic diseases had a heavier influence on expenditure. **CONCLUSIONS:** The rise in spending on health appears to be directly associated with the effect of increased age together with a second factor considered to be important, the proximity to death. It is estimated that in 2050 Brazil will have a population of 64 million individuals aged 60 or over, representing one of the main challenges to the adequate allocation of resources. This study suggests that the costs in the last year of life should be considered in the projections for spending on health care, in the same way as the ageing factor. One of the alternatives that appears to be important at the end of life is palliative care.

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COSTS OF TREATING TERMINAL PATIENTS IN DIFFERENT BELGIAN HEALTH CARE SETTINGSSimoons S¹, Kutten B², Menten J²¹K.U. Leuven, Leuven, Belgium; ²University Hospitals Leuven, Leuven, Belgium

OBJECTIVES: This study aims to measure the costs of treating terminal patients in Belgian hospitals and in nursing homes from the health care payer perspective. Also, this study compares the costs of palliative care with those of usual care. **METHODS:** A multi-centre, retrospective cohort study enrolled patients in acute wards and in palliative care units from a representative sample of hospitals and from a representative sample of nursing homes. Health care costs included fixed costs and charges relating to medical fees, pharmacy and other charges. Data sources consisted of hospital and nursing home accountancy data and patient invoice data. The price year was 2007/2008. **RESULTS:** Six hospitals and nineteen nursing homes participated in the study, generating a total of 327 patients. Mean hospital costs per patient per day amounted to €391 (±€156). Mean hospital costs of patients receiving usual care in an acute ward (€340 ± 143) exceeded costs of palliative care in an acute ward (€283