National Assembly for Wales

Health and Social Care Committee

Access to medical technologies in Wales

Evidence from Professor David Cohen - MT 42

ACCESS TO MEDICAL TECHNOLOGIES IN WALES

Please note that I have recently retired and am no longer an employee of the University of South Wales. I remain, however, the health economist member of the All Wales Medicines Strategy Group and support the comments already submitted by AWMSG to the Health and Social Care Committee on Access to Medical Technologies in Wales.

1. I believe the investigation would benefit from a clear definition what it means by the expression 'medical technology'.

The related term 'health technology' is normally interpreted to have a wider meaning than just devices. The International Network of Agencies for Health Technology Assessment defines a health technology as "Any intervention that may be used to promote health, to prevent, diagnose or treat disease or for rehabilitation or long-term care. This includes the pharmaceuticals, devices, procedures and organizational systems used in health care." Although the Committee's consultation document specifies that it not wish to consider access to medicines it is does not specify what it means by technologies. I mention this because some of the submissions already made appear to equate the term to 'medical devices'. This is not a problem if that is what the Committee is concerned with, but this could be made more explicit.

- 2. The first term of reference of the inquiry is to examine how the NHS <u>assesses the</u> <u>potential benefits</u> of new or alternative medical technologies. As an economist I would argue that evidence based decisions should never be made solely on an assessment of potential benefits. Given that NHS resources will always be scarce, evidence of cost effectiveness is also required. This principle is accepted by all organisations involved with the evaluation of medical technologies including NICE.
- 3. I support the proposal by Public Health Wales in their submission to this enquiry to create a Welsh Health Technology Assessment Board.

The current structure and working practices of the All Wales Toxicology and Therapeutics Centre and AWMSG provide an excellent model of how the new organisation could be structured with a new Board equivalent to AWTTC and a new Assessment Group equivalent to AWMSG.

In my view, however, the new organisation would need to account for (at least) four important differences between the process for assessing medicines and that for assessing medical technologies.

- Approvals of medicines by AWMSG and subsequently ratified by the Minister are
 mandatory and apply equally across Wales. The organisational effects of introducing
 new technologies, however, will often be significantly greater than when introducing
 new medicines and variations in effects between Health Boards will be also greater.
 Thought therefore will need to be given as to whether technology approvals should
 necessarily have the same all-Wales status as do medicines approved by AWMSG.
- The factors which complicate the evaluation of medical technologies as specified in the NICE Medical Technologies Evaluation Programme Methods Guide. – mean that the quality of evidence required to conclude that "the case for clinical effectiveness, safety and cost effectiveness has been made" will have to be lower than that applied by AWMSG for medicines.
- The dynamic nature of technologies suggests that re-appraisal after a period of time
 will be required. While this is currently the case for AWMSG, differences in the
 nature of technologies suggest that imposing a common length of approval in all
 cases would not be sensible. The new Assessment Group should will be need to
 identify an appropriate approval time for each technology or set of related
 technologies that are approved.
- AWMSG currently focuses on benefits in terms of health gain, measured in Quality Adjusted Life Years (QALY). This will be broadened to include a wider assessment of societal benefits and costs when Value Based Assessment is introduced later this year. Given the broader nature of medical technologies, their assessment should also go beyond the narrow cost per QALY approach and should include non-financial effects of the organisation.

I hope these comments are helpful.

David Cohen

Professor of Health Economics

Derce,