MEDSCHEME HEALTH TECHNOLOGY ASSESSMENT AND REIMBURSEMENT PROCESS

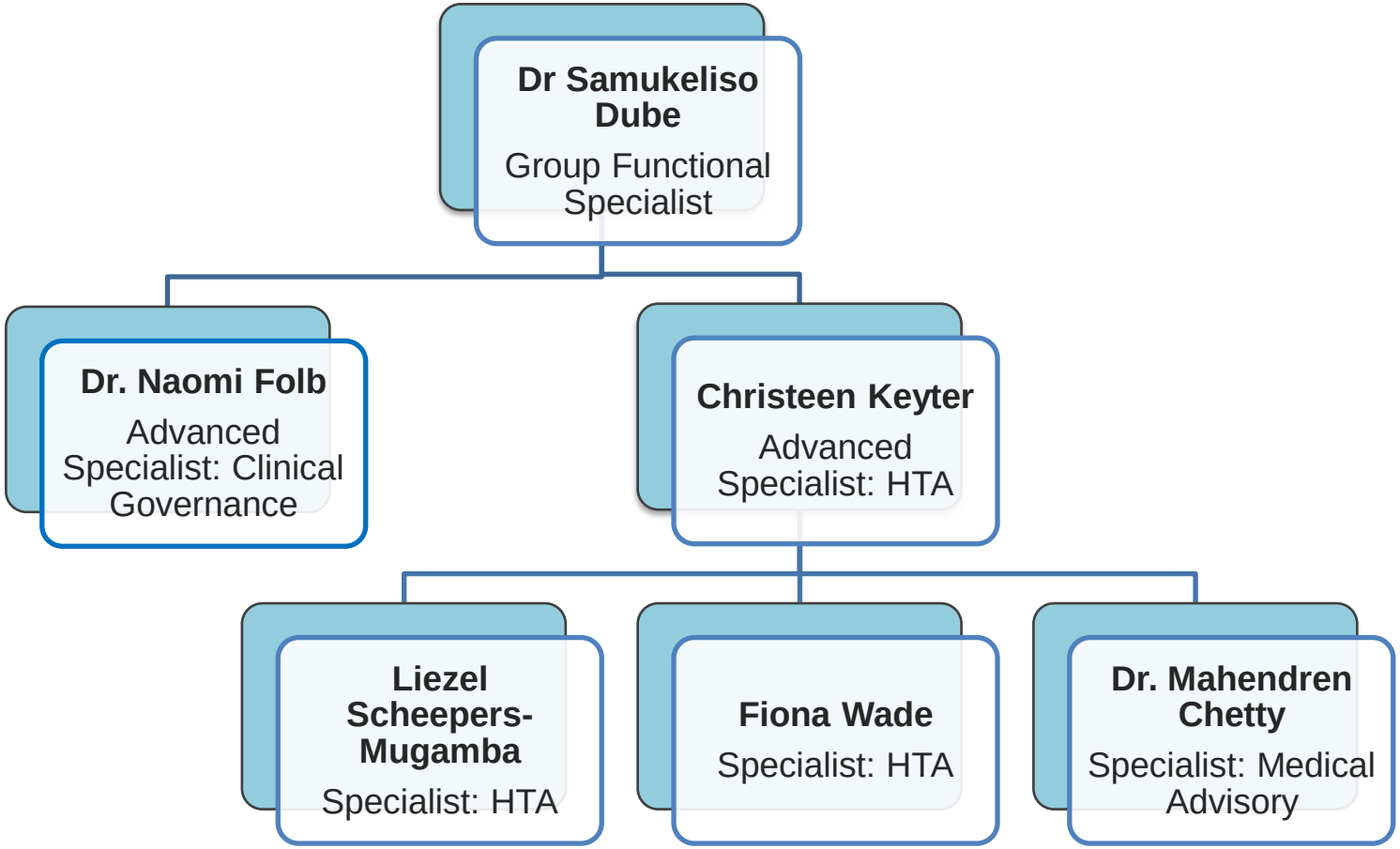
SAMED

07 October 2020

DISCUSSION POINTS (BRIEF)

- Organogram of the Medscheme HTA team (Technology)
- Medscheme reimbursement and HTA processes
- Policy and processes on price increases, price reviews and price benchmarking
- Special Covid-19 related requirements, changes and process, and Covid-19 medical technology products

MEDSCHEME MEDICAL ADVISORY AND HEALTH POLICY UNIT TECHNOLOGY TEAM



HEALTH TECHNOLOGY ASSESSMENT

World Health Organisation (WHO): “The main purpose of conducting a Health Technology Assessment (HTA) is to inform policy decision making”.

HTA must answer several questions:

- Is it safe?
- Is it effective?
- Does it enhance or replace best practices?
- Are the outcomes comparable or better than current best practice?
- Is there a learning curve?
- Is it affordable?

HTA SUPPORT PROTOCOL DEVELOPMENT

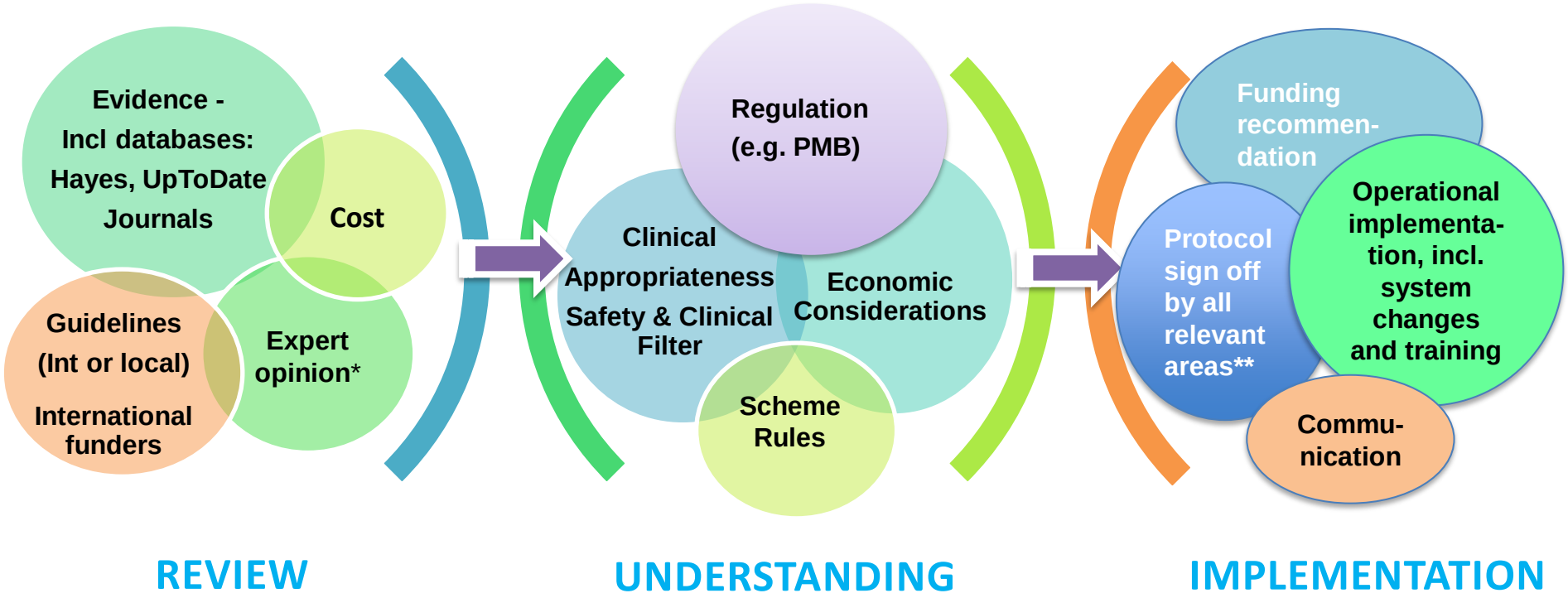
According to the Medical Scheme regulation* protocols must be developed on the basis of evidence-based medicine (EBM), taking into account considerations of cost-effectiveness and affordability.

It defines EBM as the conscientious, explicit and judicious use of current best evidence in making decisions about the care of beneficiaries whereby individual clinical experience is integrated with the best available external clinical evidence from systematic research.

***Regulations in terms of the medical schemes act 131 OF 1998. Chapter 5 - Provision of managed health care - 15H**

WHO/WHAT GUIDES HTA DEVELOPMENT

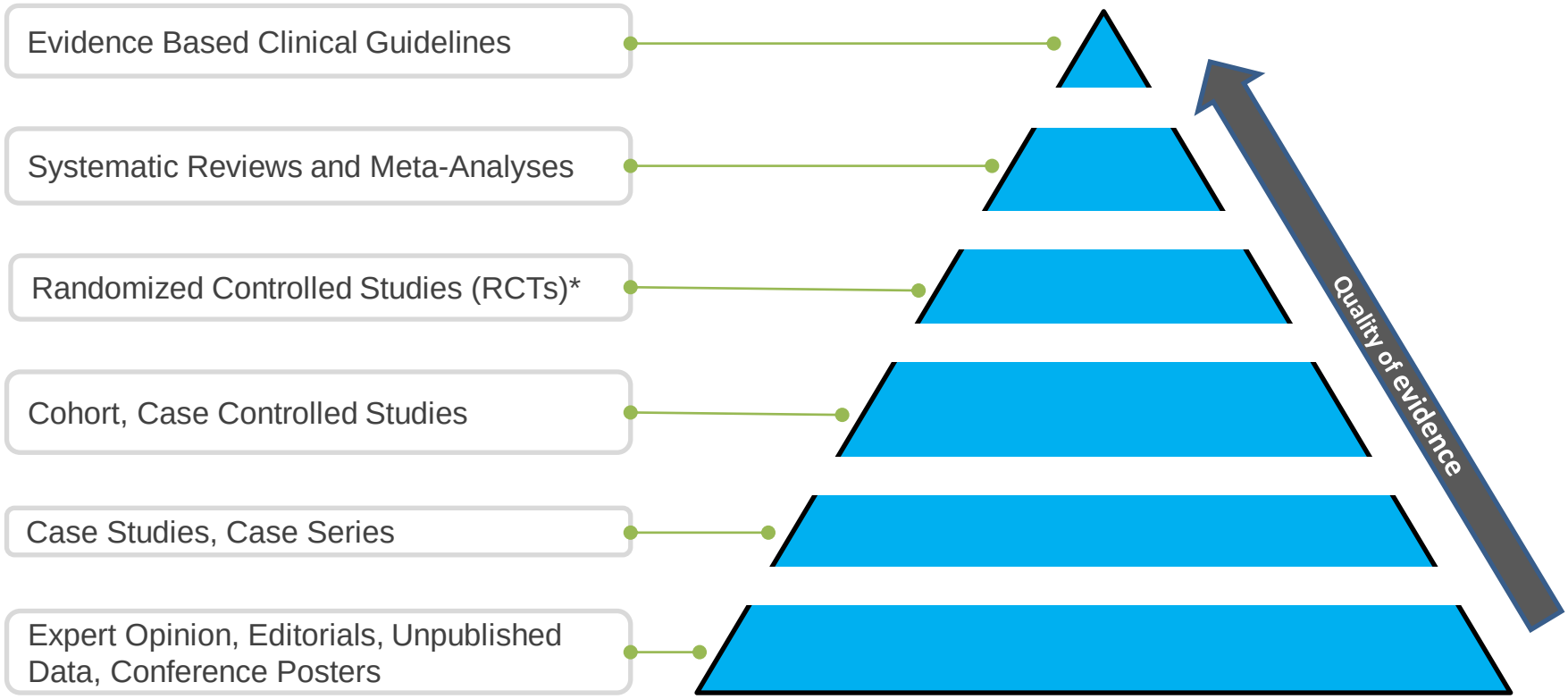
THE MEDSCHEME HTA PROCESS



*Includes: company- or scheme-appointed advisory panels of independent consultants, societies, etc

** Includes: Internal clinical forums, schemes and provider societies where applicable

HIERARCHY OF EVIDENCE



*Acceptable level of evidence from RCTs upwards.

MEDSCHEME REIMBURSEMENT APPLICATION REQUIREMENTS

Registration

- Local (SAHPRA)
- International (e.g. FDA, CE)
- NAPPI codes and pricing

Evidence

- Evidence based guidelines
- Published systematic reviews and meta-analyses
- Published randomised control studies
- Any other studies available

Economics

- CCSA and NRPL codes
- State access (tender or hospital buy-out)
- Appropriate comparator and costing
- Equipment fee charged by local hospital groups (where applicable)
- Health economic model with assumptions (if available)

Therapeutic and economic claims

- Clear and concise
- Comparison to current alternatives

CHALLENGES IN THE HTA PROCESS

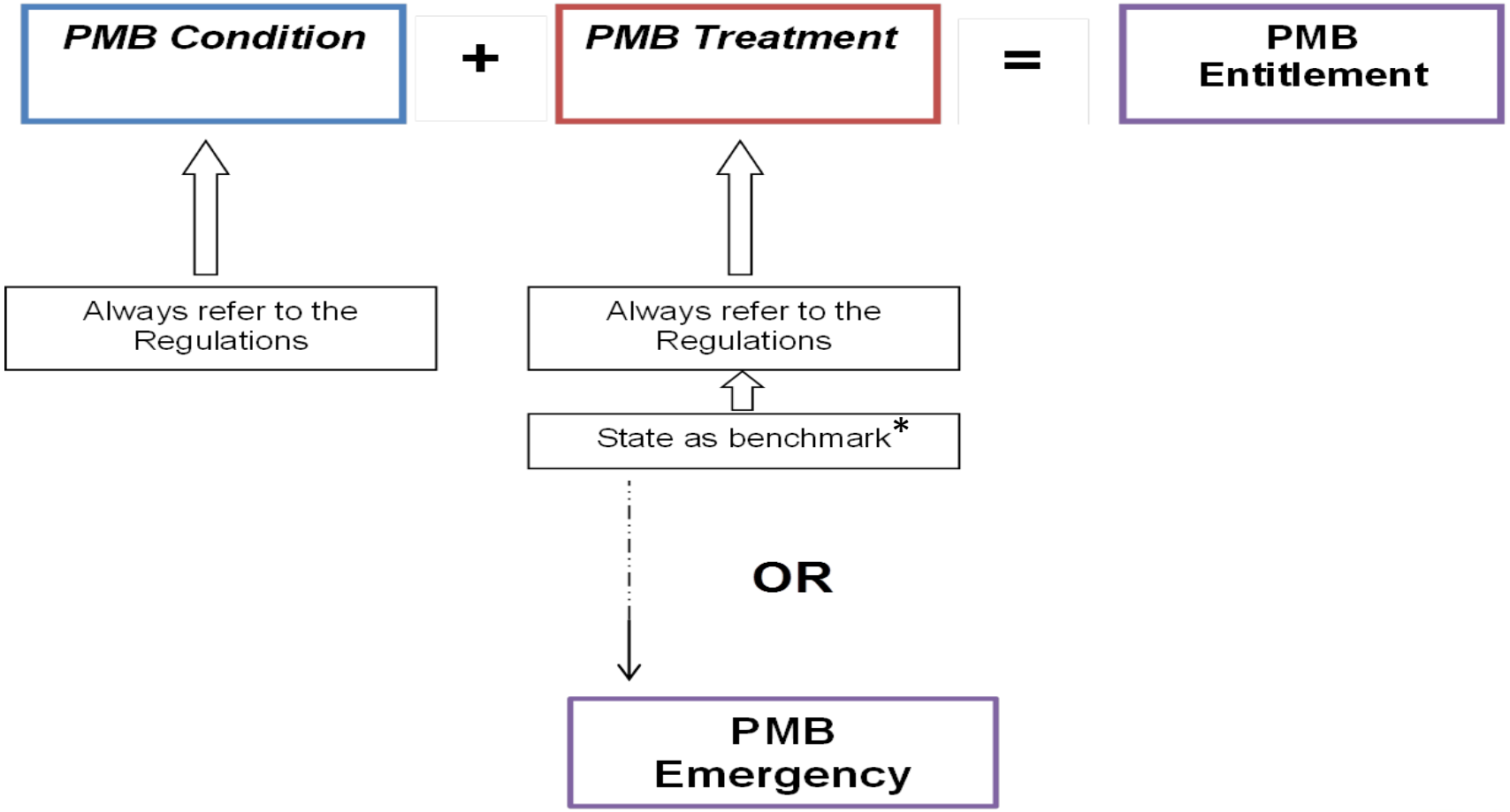
CLINICAL EVIDENCE

- Lack of direct comparisons to relevant alternative
- Lack of long-term follow-up data
- Local clinical guidelines not always available

COST

- Focus of new technologies – always to improve patient outcomes, but at what cost? Was a possible saving to the payer a consideration?
- Technologies and procedures – how do we fund the learning curve?
- Cost-effectiveness – how is this determined in the absence of a government defined threshold and within PBM legislative requirements?

NAVIGATING PMB'S



*Routinely used in academic hospitals in 3 different provinces

“ME-TO” DEVICES

Requirements will differ, depending on the type of device (e.g. external, implanted, newer concept)

- ✓ Company has a valid SAHPRA medical device establishment license?
- ✓ Price in line with competitors?
- ✓ Any international regulatory approval to confirm safety and efficacy (e.g. FDA 510k, CE)?
- ✓ Does the type of device require human studies?
- ✓ Novel technology(with or without existing protocol)?
- ✓ New indications for existing technology?

PRICE INCREASES, REVIEWS AND BENCHMARKING

- Standard ≤ CPI increases are usually accepted
- Devices priced significantly higher than competitor is questioned
- Schemes use prosthesis benefit and mandates to control cost
- Cost minimisation analysis primarily used to guide funding decisions
- Increased expectation from client schemes that we should control the prices of devices more
- Several initiatives under discussion or in developmental phase
- MMED Distribution: subsidiary of the Afrocentric Health Group:
  - Sourcing and procurement of out of hospital, auxiliary and in-hospital devices at an affordable price
  - Preferred procurement arm for Medscheme

COVID-19

- Several initiatives were put in place to support members, doctors and hospitals, and to monitor and report
- Admission and follow-up processes were eased
- Funding according to CMS circulars (PMB level of care)
- Devices primarily applicable to Covid-19 admissions:
  - PPE (Personal Protective Equipment)
  - CPAP and BIPAP
  - High flow nasal cannula (HFNC)
  - Veno-Venous Extracorporeal Membrane Oxygenation (V-V ECMO)
  - Oxygen at home

Questions