

## Pre prioritisation Meeting Minutes 22/11/2019

### Attendees

- Andrew Oliver
- Karen Jacobs Grant
- Sandy Bhawan
- Ben Campbell Macdonald
- Erica Deverall
- Nelson (Ningxin) Ding
- Nathan Fox
- Tal Sharrock
- Elena Saunders
- Greg Evans
- Scott Metcalfe
- Danae Staples Moon
- Caro DeLuca



2019 11 22

Freestyle Libre for ty

### Free style libre for type 1 diabetes ‘

HE: Nelson

Minute taker: Tal

- A description of type 1 diabetes and the health need of the population was noted by the group
- Diabetes Subcommittee gave a high priority
- Group noted PICO
- Group noted IMPACT clinical trial as key evidence hypo hours per day, hypo events and hypo hospitalisations
- Group noted that the quality of life provided by supplier small benefit to not pricking decrement with hypo event
- The group noted the key assumptions in the model outlined in the presentation
  - Allowance made for test strips being used in intervention arm as well as comparator
- Group noted **W** QALYs a million as a base case and that various sensitivity analyses were conducted and resulted in a likely range of **Withh** (driven by strips and readers) and **Withheld** possible range (driven by QOL range).
- The group discussed that the base-case doesn't include a decrement of QOL due to pricking – agreed that this should be included in the base-case
- HE to update this and the ranges around it **(ACTION)**
- Budget impact group noted assumptions group challenged uptake assumptions Noted they are based on the supplier application but are likely low Suggested amending uptake to 60% Y1, 80% Y@ and 90% year 3 onwards **(ACTION)**
- Health need – put in more re the suitability of current treatment

- Group noted application is for Type 1 diabetes. The group discussed that there is significant health need and potential for health benefit in people with insulin dependent type 2 diabetes, but that these people were outside of the scope of the application. Attendees considered that a PHARMAC staff-initiated Schedule application may be the most appropriate avenue to consider this group in the absence of a supplier application.

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## AGENDA

### Prioritisation Meeting

To be held at the PHARMAC Office on

Tuesday 10 December 2019

#### Overall Agenda

1. Overview of meeting process
2. Acknowledgement of proposals funded since the last prioritisation meeting
3. Ranking of proposals on the 'only if cost neutral or cost saving' list
4. Ranking of proposals on the 'recommended for decline' list
5. Miscellaneous changes to proposal status to be acknowledged
6. Prioritisation of new proposals to the *Options for investment* list
7. Re-prioritisation of the proposals on the *Options for investment* list with updated information
8. Consideration and confirmation of all ranked prioritisation lists
9. Budget boundaries

#### Prioritisation Paper (Supplementary material)

Please refer to the Prioritisation Paper for information on new proposals, proposals currently ranked on the *Option for Investment* list and key consideration documentation.

- Section 1: Overview of meeting format
- Section 2: Factors for Consideration
- Section 3: Health need
- Section 4: Cost effectiveness
- Section 5: Government health priorities
- Section 6: Proposal summaries



The logo for PHARMAC, featuring the text 'PHARMAC' in a bold, sans-serif font above 'TE PĀTAKA WHAIORANGA' in a smaller, all-caps sans-serif font. The logo is contained within a white circle.

PHARMAC  
TE PĀTAKA WHAIORANGA

# Prioritisation Meeting

December 2019

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# Content

1. Proposals funded since the last meeting
2. Proposals recommend to the 'cost-neutral/cost-saving' list
3. Proposals 'recommend for decline'
4. New items to be ranked on the OFI list
5. Re-rank items to the OFI list
6. Miscellaneous changes

# New items to be ranked on the OFI list

Please refer to the following sections of this dossier for information on new proposals, proposals currently ranked on the *Option for Investment* list and key consideration documentation.

- Section 2: Factors for Consideration
- Section 3: Health Need
- Section 4: Cost-effectiveness
- Section 5: Government priorities
- Section 6: Proposal Summaries

# Options for Investment – Speaking Order

<b>Therapeutic Group Manager</b>	<ul style="list-style-type: none"> <li>• Introduces item.</li> <li>• Key therapeutic and commercial issues.</li> <li>• Why is it being prioritised today?</li> </ul>
<b>Health Economist</b>	<ul style="list-style-type: none"> <li>• Introduce the information collected against each of the Factors for Consideration, and cost-effectiveness. Are any of them unusual, contentious, or particularly uncertain?</li> <li>• Explain the key drivers of the cost-effectiveness result.</li> <li>• Explain the range of cost-effectiveness estimates.</li> </ul>
<b>Medical Directorate</b>	Any other relevant clinical issues not yet raised.
<b>Whakarata Māori</b>	Opportunity to comment on any particular issues for Māori, including health need and ability to benefit
<b>Analysis</b>	Opportunity for comment on the patient numbers, the budget impact, and any other relevant financial issues.
<b>Policy</b>	Are there any unusual policy issues raised by this proposal?
<b>Access and equity</b>	Opportunity to comment on the impact of a proposal if funded on equity and access issues.
<b>All staff</b>	All staff are encouraged to question or comment on any of the issues raised during the discussion so far.
<b>Chair</b>	Ranking: given the discussion, should the proposal be moved up or down the prioritisation list?



# New items to be ranked to the OFI list

Proposal	TGM	HE
[Redacted] Out of scope	[Redacted]	[Redacted]
Freestyle Libre Flash Glucose Monitoring System – Type 1 diabetes	ES	ND
[Redacted] Out of scope	[Redacted]	[Redacted]
[Redacted] Out of scope	[Redacted]	[Redacted]
[Redacted] Out of scope	[Redacted]	[Redacted]
[Redacted] Out of scope	[Redacted]	[Redacted]
[Redacted] Out of scope	[Redacted]	[Redacted]
[Redacted] Out of scope	[Redacted]	[Redacted]
[Redacted] Out of scope [Redacted] Out of scope	[Redacted]	[Redacted]

## **Prioritisation Paper**

Prioritisation Meeting to be held at the PHARMAC Office on

Tuesday 10 December 2019

### **Contents**

In addition to the Prioritisation meeting agenda document, please refer to the following sections of this paper for information on new proposals, proposals currently ranked on the *Option for Investment* list and key consideration documentation.

- Section 1: Prioritisation meeting format (Page 2)
- Section 2: Factors for Consideration (page 3)
- Section 3: Health need (page 5)
- Section 4: Cost-effectiveness (page 13)
- Section 5: Government health priorities (page 18)
- Section 6: Proposal Summaries (page 19)

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## Section 1: Prioritisation meeting format

The quarterly prioritisation meeting is a key step in PHARMAC's decision processes, where funding proposals are considered and ranked using the Factors for Consideration.

Formally, PHARMAC's assessment of funding proposals is a 'deliberative process', whereby all relevant different points of view are considered and traded off against one another. This contrasts with systems that use predetermined weights for each criterion

In a deliberative process, it is critical that all perspectives are considered by all people involved in the consensus decision. This means that all meeting participants should have good opportunity to make sure that key points are heard and that they hear and understand the points raised from other perspectives.

This document includes only brief summaries of information about each proposal; for full details please refer to the relevant Technology Assessment Report and PTAC minutes.

Below is the protocol to structure the staff discussions during the prioritisation meeting. It builds on a successful process that PHARMAC has developed over many years, while giving it more structure as appropriate to the large group involved in each meeting.

### Speaking order

Therapeutic Group Manager	Introduces item. Key therapeutic and commercial issues. Why is it being prioritised today?
Health Economist	Introduce the information collected against each of the Factors for Consideration, and cost-effectiveness. Are any of them unusual, contentious, or particularly uncertain? Explain the key drivers of the cost-effectiveness result. Explain the range of cost effectiveness estimates
Medical Directorate	Any other relevant clinical issues not yet raised
Whakarata Māori	Opportunity to comment on any particular issues for Māori, including health need and ability to benefit
Analysis	Opportunity for comment on the patient numbers, the budget impact, and any other relevant financial issues.
Policy	Are there any unusual policy issues raised by this proposal?
Access and equity	Opportunity to comment on the impact of a proposal if funded on equity and access issues
All staff	All staff are encouraged to question or comment on any of the issues raised during the discussion so far.
Chair	Ranking: given the discussion, should the proposal be moved up or down the prioritisation list?

## Section 2: Factors for consideration

Factors are presented here in the order they are listed in decision papers, without implying any ranking or relative importance.

### Need

- The health need of the person
- The availability and suitability of existing medicines, medical devices and treatments
- The health need of family, whānau, and wider society
- The impact on the Māori health areas of focus and Māori health outcomes
- The impact on the health outcomes of population groups experiencing health disparities
- Government Health Condition Priorities

### Health Benefits

- The health benefit to the person
- The health benefit to family, whānau and wider society
- Consequences for the health system
- Government Health System Priorities

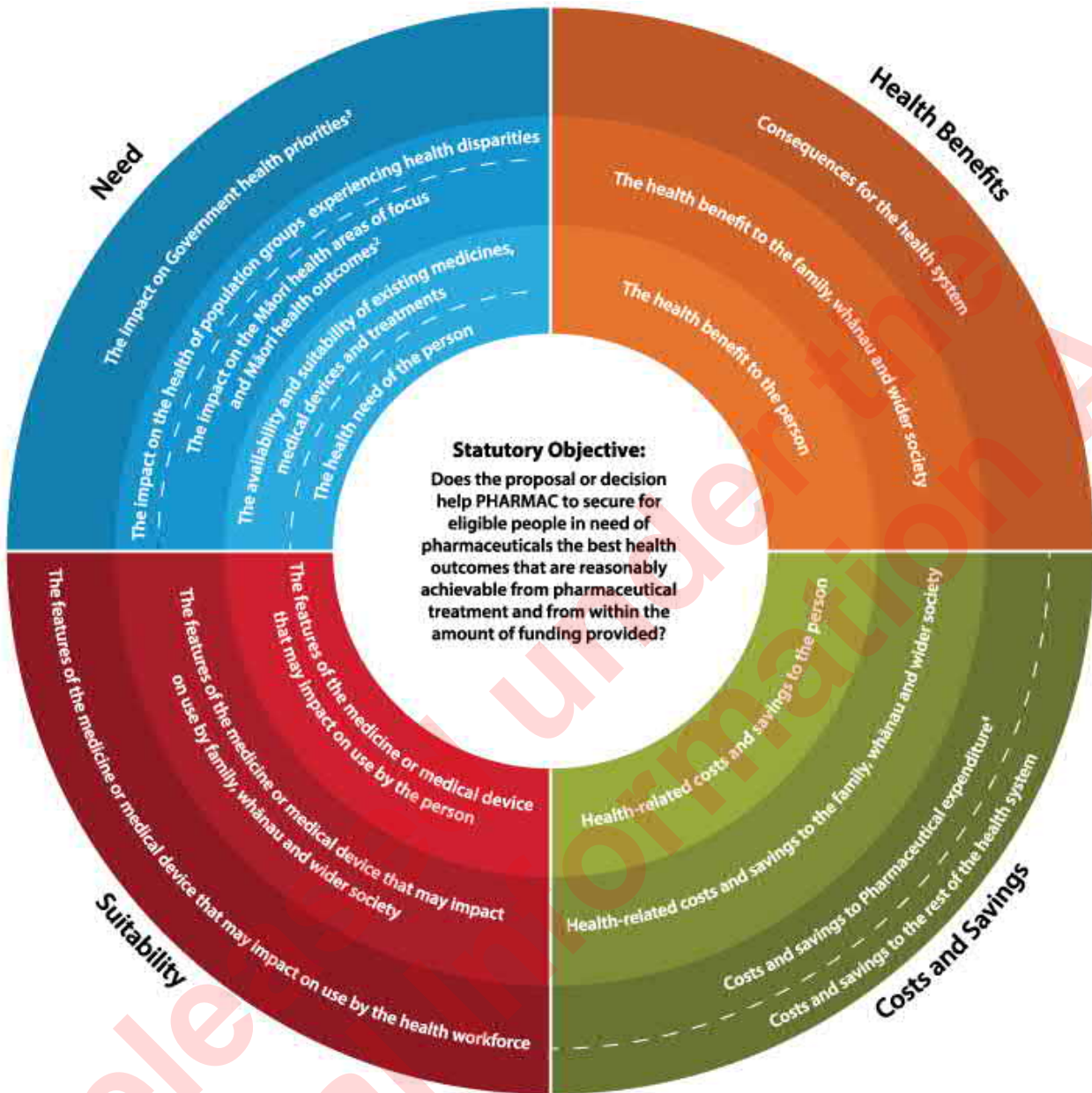
### Suitability

- The features of the medicine or medical device that impact on use by the person
- The features of the medicine or medical device that impact on use by family, whānau and wider society
- The features of the medicine or medical device that impact on use by the health workforce

### Costs and Savings

- Health related costs and savings to the person
- Health-related costs and savings to the family, whānau and wider society
- Costs and savings to pharmaceutical expenditure
- Costs and savings to the rest of the health system

Figure 1: PHARMAC Factors for Consideration



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### Section 3: Health Need.

For each item on the current Options for Investment list, these graphs show estimates of the health loss experienced by an average or typical patient in the relevant cohort with currently funded treatments. They do not reflect the effect of the new products under consideration. Each bar starts at the average age of onset of the specific disorder in question. Absolute values are shown in a separate table.

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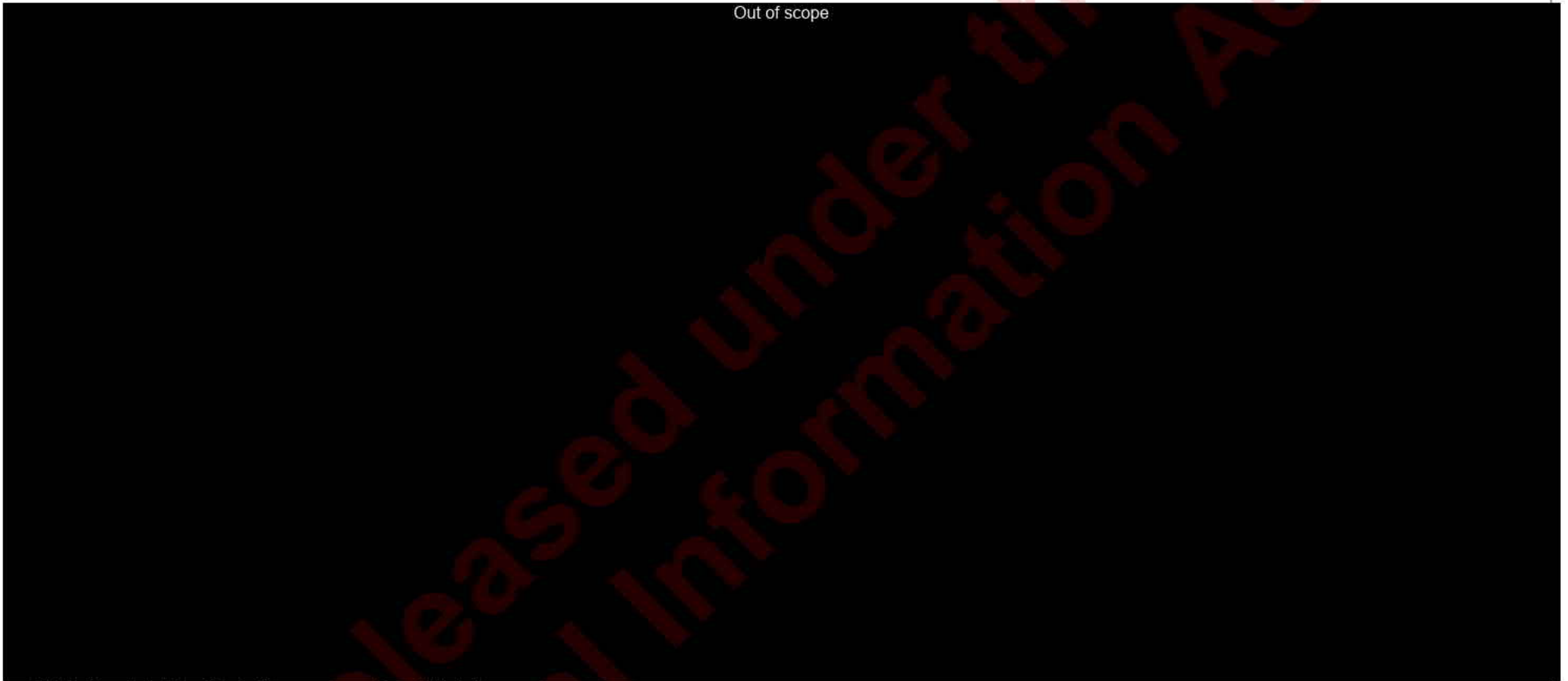
# PHARMAC

Pharmaceutical Management Agency

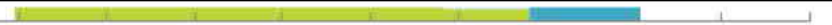
■ QALYs lost from decreased QoL from disease (current treatment)

■ QALYs with disease (current treatment)

0 10 20 30 40 50 60 70 80 90 100



NEW Freestyle Libre Flash Glucose Type 1 diabetes



Out of scope







## Section 4: Cost effectiveness

Previously ranked proposals are shown in existing priority order. New and updated proposals are placed roughly within the list as a starting point only. Cost effectiveness ranges (0 to 70 QALYs per \$1m) may extend off the chart; proposals that are completely off the chart or cost saving/cost neutral are detailed in the table on the next page; proposals with ranges within 0 to 70 QALYs per \$1m and extending outside are providing in both the chart below and in the following table

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# PHARMAC

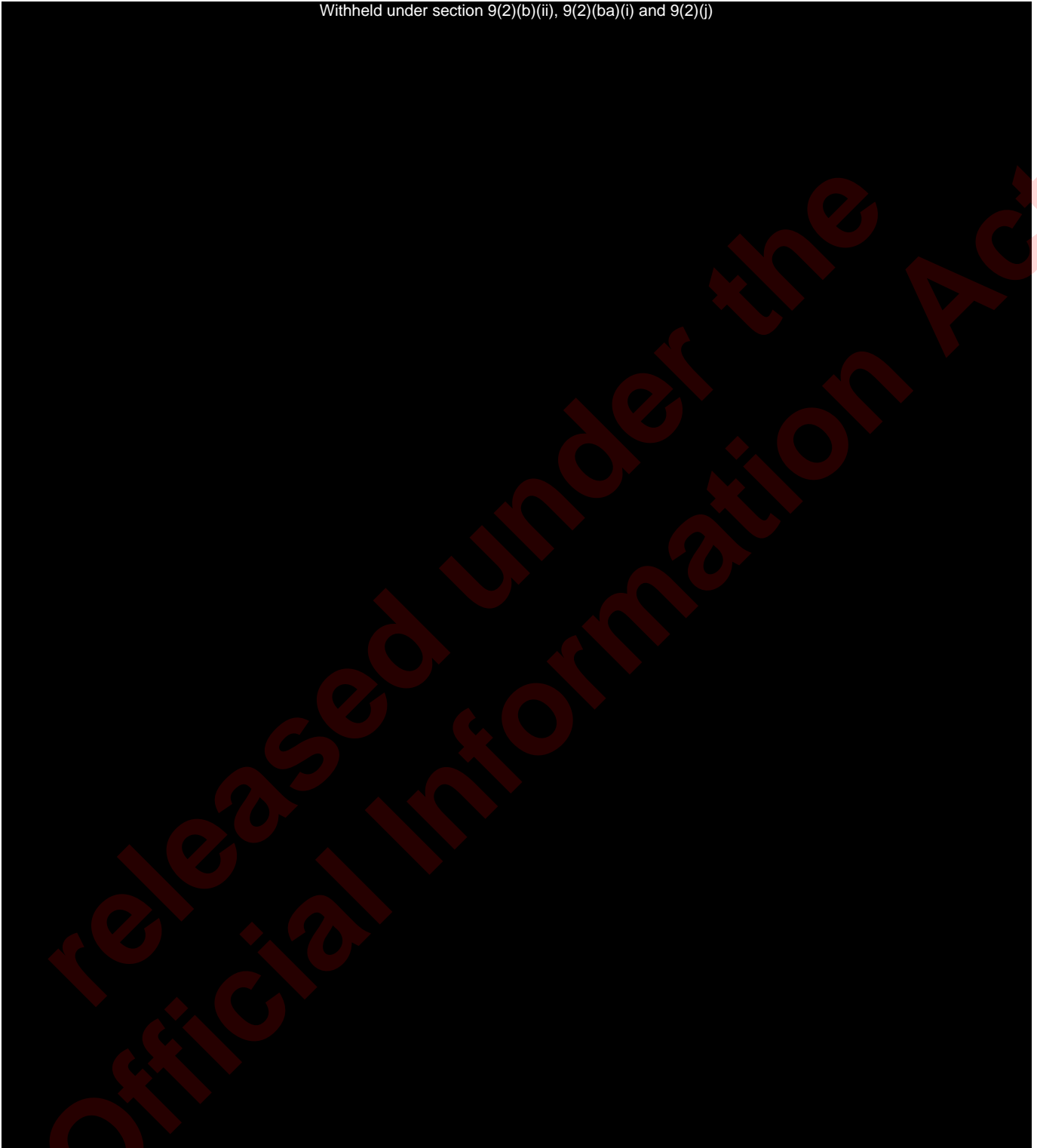
Pharmaceutical Management Agency

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Table 2. Proposals where cost-effectiveness may be more than 70 QALYs per \$1 million.

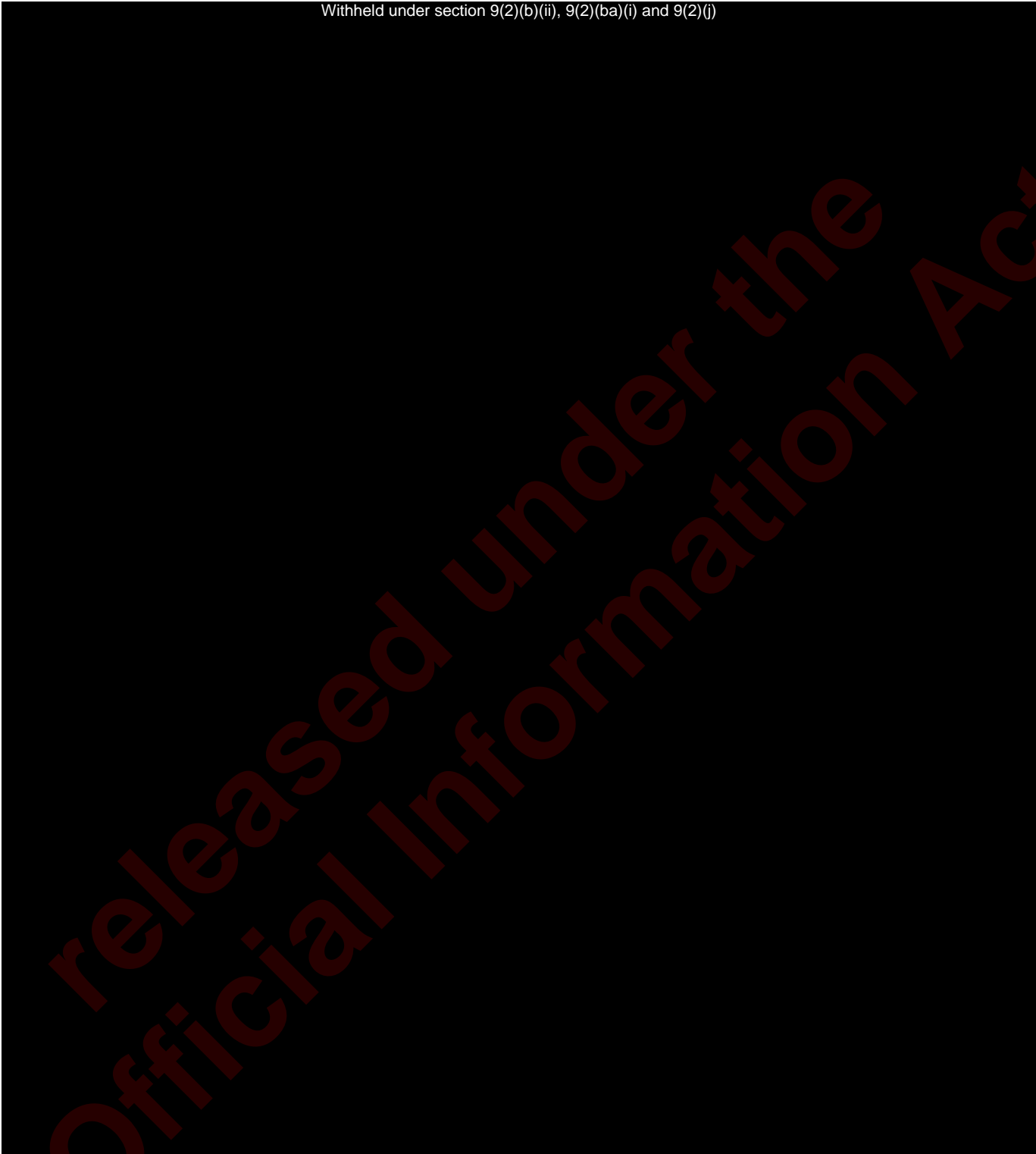
Withheld under section 9(2)(b)(ii), 9(2)(ba)(i) and 9(2)(j)



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**Table 3. Proposals with zero or negative cost-utility.**

Withheld under section 9(2)(b)(ii), 9(2)(ba)(i) and 9(2)(j)



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## Section 5: Government health priorities

### The impact on government health priorities

This factor asks whether the disease, condition, or illness is a Government health priority

Last updated: 20 September 2018

Disease, illness or condition	Interpretation for FFC
Alcohol and or drug addiction	Minimises harm from alcohol and drug dependence
Dementia and frailty	Reduces impact of dementia and frailty
End of life	Supports provision of high quality palliative care
Foetal Alcohol Spectrum Disorder	Reduces incidence of foetal alcohol spectrum disorders
Infectious diseases	Reduces transmission of infectious diseases, especially amongst those with newborn babies
Learning/ intellectual disabilities	Improves the health of people with learning or intellectual disabilities
Long-term conditions	Helps prevention, intervention, rehabilitation and wellbeing of people with LTCs
Mental health with a focus on youth, pregnant and postnatal women	Supports people to improve their mental health and / or address addiction, including: <ul style="list-style-type: none"> <li>pregnant or postnatal women experiencing mental health, alcohol and other drug conditions</li> </ul> young people with, or at risk of developing, mild to moderate mental health issues
Obesity	Helps prevent or reduce obesity
Smoking cessation	Reduces smoking rates/Helps people to stop smoking.

### Consequences for the health system

The Government sets various goals for the health system PHARMAC's decisions should consider whether and how its actions might support the Government's strategic intentions for the health system.

Last updated: 20 September 2018

Health system priority	Interpretation for FFC
Antimicrobial resistance	Supports optimal use of antimicrobials and minimises the emergence of antimicrobial resistance.
Closer to home / Making services more accessible, including shifting services	Supports integrated care. Treatment can be provided more conveniently to patients
Health equity	Enhances equitable health access and/or outcomes.
Increased immunisations	Increases immunisations/Improves prevention and ensures immunisation courses administered on time.
Supports the health of older people	Supports older people to stay healthy and independent and live well with long term conditions Reduces unnecessary acute admissions. Reduces inappropriate polypharmacy.
Supporting people to be 'health smart'	Supports best use of pharmaceuticals.

## Section: 6: Proposal Summaries

This section has a dossier for each proposal on the Options for Investment list. Where multiple proposals are represented by one item, please refer to the name of the item

When data are not given for a Factor, the following terms are used:

**No difference:** Evidence found that shows no material difference or effect

**None identified:** Staff searched for relevant evidence and found none.

**Not reviewed:** Staff did not seek information on this Factor.

For more information on any proposal, refer to the Technology Assessment Report, to the relevant Objective file, or to the proposal's records in PharSight.

If you are reading this document on screen, select the Word menu option **View | Navigation Pane**. Click on the dossier's name to jump to the page.

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## Freestyle Libre Flash Glucose Monitoring System-Type 1 diabetes

Latest Clinical Recommendation: No Formal Recommendation from PTAC, 23/05/2019

Comparator: Finger-prick blood glucose (FPBG) monitoring via a blood glucose meter



### NEED

**Condition:** Type 1 diabetes mellitus is a chronic disease resulting from the autoimmune destruction of pancreatic beta cells resulting in insulin deficiency. Loss of endogenous insulin can lead to hyperglycemia and life-threatening ketoacidosis.

**Health need of the person:** Insulin is used to prevent severe hyperglycemia and ketoacidosis, but maintaining glucose levels within the normal range is difficult. Over-treatment results in hypoglycemia, which can range from mild and uncomfortable to life-threatening.

**Health Need Of Family Whānau and Others:** Evidence is emerging of significant caregiver stress among parents of children and adolescents with type-1 diabetes (Grover et al. *Perspect Clin Res.* 2016;7(1):32-39). The evidence is unclear regarding whether increased monitoring using the newer technology increases or reduces caregiver stress.

**Availability of existing alternatives:** Self-monitoring using a blood glucose meter between 4 to 10 times per day (finger prick).

**Māori Health Areas of Focus:** No

**Māori health need:** None identified

**Impact on population groups experiencing disparities:** None identified

**Government condition priorities:** No



### HEALTH BENEFITS

**Health benefit to the person:** Freestyle Libre flash glucose monitoring system has been shown to decrease the amount of time a patient spends within the hypoglycaemic range per day, the number of severe hypoglycemia events per day. Some evidence has been provided to suggest an improvement in quality of life compared to FPBG monitoring.

**Health benefit to family, whānau:** Probably reduction in caregiver stress resulting from remote monitoring of blood glucose levels via the Freestyle device. This is likely to be even more so overnight when the current method requires waking a child and undertaking a finger prick. Furthermore, the device may allow carers more freedom to leave the patient in the care of others. Conversely, some data indicates that the increased granularity of data available can increase the burden of stress to carers.

**Health benefit to others:** QALYs gained per person treated (lifetime NPV @3.5%). Probable reduction in stress for teachers / teacher aides who are involved in the daily care of children and adolescents whilst they are at school.

**Consequences for health system:** Freestyle Libre flash glucose monitoring system could conceivably reduce the number of required emergency department admissions, and the number of diabetes-related complications requiring treatment via the health system. The exact impact is unknown.

**Government system priorities:** No

**COSTS AND SAVINGS (Lifetime NPV @3.5%).**

**Health costs to the person:** A \$5 prescription co pay will apply every three months.

**Health costs to family, whanau, others:** Not relevant

**Pharmaceutical costs per person:** Withheld per person per year compared to Withheld for the current standard of care.

**Costs to rest of health sector, per person:** 4% net distribution costs will apply to this device. Note, no gross pricing has been provided by the supplier in their proposal.

**SUITABILITY**

**Impact on use by the person:** Freestyle libre flash glucose monitoring system involves application once every 14 days, involving one small prick. This compares to the current SMBG method, which can involve up to 10 pricks per day F'style provides near-continuous data readings.

**Impact on use by others:** Device enables remote monitoring of blood glucose via bluetooth uplink to multiple smart mobile devices

**Impact on health workforce:** Additional data availability may impact on clinical services, increasing the clinic time required to train individual on the use of the device as well as finger prick testing (which will still be required) and for the interpretation of a larger volume data.

**COST EFFECTIVENESS**

Point estimate = Withheld QALYs per \$1m

Likely range Withheld QALYs per \$1m.

Possible range Withheld QALYs per \$1m.

**BUDGET IMPACT**

Year	1	2	3	4	5
<b>Patients</b>	5300	7400	8800	9700	10200
<b>Pharmaceutical costs</b>	Withheld under Withheld	Withheld under Withheld	Withheld under Withheld	Withheld under Withheld	Withheld under Withheld
<b>Other health sector costs</b>	\$410,000.00	\$580,000.00	\$680,000.00	\$720,000.00	\$750,000.00
<b>Total Health Sector Budget Impact</b>	Withheld under Withheld	Withheld under Withheld	Withheld under Withheld	Withheld under Withheld	Withheld under Withheld

Clinical advice indicates that an increase to clinic time per patient is likely due to the increase in data generated by FreeStyle libre. This cost has been unaccounted for in this BIA.

End of document

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