The Comparative Effectiveness Process for Updating the Israeli Health Services Basket

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The Health Services Basket (HSB) Legal status

- The 1995 National Health Insurance (NHI) Law defined a binding itemized HSB
- The Minister of Health may expand the HSB with no increase in cost; new services may not be added unless a source of funding is found (NHI, Item 8)
- Mandatory update of NHI funds only for increase in “health cost index”; optionally for demographic changes
- No provision for technological advancements; update of the HSB is dependent on additional MOF funding
Update of the HSB

- The Ministry of Health estimated a need for a 2% annual increase of funds for technological advancements (international standards)
- **1995–1997**: HSB funds updated only for increase in “health cost index”; no update for new technologies
- **1997**: Clalit sick fund refused to provide medications to a 12 year old child with cancer; huge media coverage
- **1998**: Minister of Finance allocated 150 million NIS (0.9%) for new medications in the annual budget act
- **The first evaluation** of new technologies was conducted within the limits of the allocated funds and 17 medications were added to the HSB
- **An annual technological assessment** process was established (comparative effectiveness evaluation)

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**Actual HSB Updates vs. Needs**
(as a % of the total cost of the HSB)

Source: Luxenburg Osnat, MOH, 2009
Technologies Included in the Update of the HSB

<table>
<thead>
<tr>
<th>Year</th>
<th>98</th>
<th>99</th>
<th>00</th>
<th>01</th>
<th>02</th>
<th>04</th>
<th>05</th>
<th>06</th>
<th>08</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget Million US$</td>
<td>35</td>
<td>37</td>
<td>61</td>
<td>48</td>
<td>32</td>
<td>14</td>
<td>88</td>
<td>157</td>
<td>112</td>
</tr>
<tr>
<td>No. of new technologies</td>
<td>17</td>
<td>54</td>
<td>128</td>
<td>84</td>
<td>61</td>
<td>35</td>
<td>69</td>
<td>75</td>
<td>93</td>
</tr>
</tbody>
</table>

Source: Luxenburg Osnat, MOH, 2009

Organizational Responsibility for the HTA Process

- The Director General of the MOH established the Medical Technologies Administration (MTA) within the Ministry of Health
- **Responsibility:** to evaluate new technologies
- **Function:** developed and implemented the HTA process for updating the HSB
- **Main features:**
  - High professional standards of the MTA methodology
  - Synchronization of timetables and working procedures with decision-making process
  - Wide stakeholder engagement in process (manufacturers, patient groups, health plans, Ministry of Finance, physicians, public representatives)
The Israeli Approach to Health Technology Assessment (HTA)

- HTA is a multidisciplinary approach based on a comprehensive process which includes evaluation of evidence-based clinical epidemiological and economic aspects.
- Optimal utilization of financial resources can be achieved by combining the scientific aspects with social, political ethical and legal considerations.
- HTA helps set priorities in an era of limited resources.

Source: Shani et al. 2000, Setting priorities for the adoption of health technologies on a national level – the Israeli experience, Health Policy, 54, 169-185

The HTA Annual Process (1)

- **Call for proposals** for new technologies (sick funds, hospitals, pharmaceutical companies, patient groups, IMA, politicians) and MTA screening for breakthrough drugs.
  - Proposals include evidence for safety, efficacy and effectiveness; added value compared to alternative; estimated number of patients to benefit; estimated cost of all treatment alternatives.
- **Quick assessment & screening** (to include only drugs registered in Israel; new technologies or new indications).
- **Data collection** (to complete and correct data in the submitted proposals: clinical, epidemiological, economic).
- **Comprehensive evaluation** (3 page summary of the data on each technology & a recommendation on indication and target population).

Source, Shani et al., 2000
The HTA Annual Process (2)

- **Priority setting by the Medical Technology Forum**
  (Director and senior officials of MTA, medical management of MOH, senior researchers Center for HTA)
  - Each technology rated as of high, intermediate or low priority
  - Based on guiding criteria for prioritization; no scoring
    (effect on mortality, morbidity, longevity, quality of life, existence of alternative treatments, number of patients to benefit, cost, affordability by society and patient)
  - Priorities decided by consensus; unanimous decisions

- **Recommendations presented to the Public Advisory Committee** appointed by the Minister of Health

Decision Making on Update of HSB

- **Public Advisory Committee review** (14 members: officials from MOH, MOF, sick funds, IMA, public representatives)
  - Series of meetings to discuss each of the Medical Technologies Forum recommendations
  - Consensus decision based on priority ratings and annual budget allocated for update
  - Full transparency: media participation in meetings; protocols and summaries on MOH website
  - Prepares final list of recommended technologies

- **Minister of Health** submits list for govt. approval
- **Binding legislation** for annual update of HSB
- **Sick funds** provide mandatory updated HSB
Summary: Main Features of the Israeli Comparative Effectiveness Evaluation

Who conducts the research? Who Pays?
- **Applicants**: proposals include research based evidence
- **MTA**: secondary analysis on clinical effectiveness; collects epidemiological and economic data specific to the Israeli system

Criteria for evaluation
- Clinical effectiveness, epidemiology, economic indicators (overall cost to system, cost to individual, cost effectiveness)

Mandatory or advisory decisions?
- Public committee recommends list to the Minister of health; government approves list; binding legislation

**Full transparency of process** (to general public, stakeholder, media, researchers & professionals)

Thank You!