

# **Value-based Benefits Subcommittee Recommendations Summary**

**For Presentation to:**

**Health Evidence Review Commission in November 2014**

*For specific guideline wording, please see the text of the 8-8-14 VbBS minutes.*

## **ITEMS CONSIDERED BUT NO CHANGES MADE**

VbBS considered, but did not accept the proposal to prioritize new treatments for Hepatitis C below the funding line.

## **GUIDELINE CHANGES**

VbBS approved a recommendation for a new guideline on the treatments of Hepatitis C on lines 205 and 360. Staff to prepare draft wording and bring it back to the 8/14/2014 VbBS meeting.

## VALUE-BASED BENEFITS SUBCOMMITTEE

**Meridian Park Health  
Community Health Education Center, Room 117B&C  
Tualatin, OR  
August 8, 2014  
1:30 PM – 3:30 PM**

**Members Present:** Kevin Olson, MD, Chair; James Tyack, DMD; David Pollack, MD (arrived 1:40); Susan Williams, MD (via phone); Mark Gibson; Irene Crosswell, RPh; Laura Ocker, Lac; Holly Jo Hodges, MD (via phone).

**Members Absent:** None.

**Staff Present:** Darren Coffman; Ariel Smits, MD, MPH; Cat Livingston, MD, MPH; Jason Gingerich, Denise Taray, RN.

**Also Attending:** Lorren Sandt, Caring Ambassadors; Anne Murray and Brett Marett, BMS; Laura Hill, Becky Reynolds, Cheryl Fletcher and Desi Allen, Abbvie; Kent Benner, The Oregon Clinic; Barry Benson, Merck; Kim Blood, WVCH; Steve Nemirow; Shelly Bailey, Central Drugs; BJ Cavnor, One in Four Chronic Health; Bill Struyk, Johnson & Johnson; Jesse Little & Chelsea Guest, Actuarial Services Unit of DMAP; John Powell, John Powell Associates; Paul Nielsen, Astra Zeneca; Michele Hill, Gilead; Karynn Fish, OHA

### ➤ **Roll Call/Minutes Approval/Staff Report**

The meeting was called to order at 1:35 PM and roll was called. Minutes from the June 12, 2014 VbBS meeting were reviewed and approved. (Passed 7-0, Pollack absent)

**ACTION:** HERC staff will post the approved minutes on the website as soon as possible.

### ➤ **Topic: Hepatitis C Treatments**

**Discussion:** Livingston presented an issue summary. She briefly reviewed the MED report and the natural history of hepatitis C. She discussed that new trials are being released every week, and that a Drug Effectiveness Review Project (DERP) report is expected in early 2015. She reviewed the staff recommendation to place treatment for hepatitis C with newer low-value agents low on the Prioritized List with a guideline

referring to the Pharmacy & Therapeutics Committee Prior Authorization Criteria, which was recently adopted for fee-for-service clients. It was discussed that the prior criteria would have led to an estimated one-year cost of \$168 million if applied to all OHP clients not a part of the ACA expansion, and with the revised P&T criteria this would limit the expected cost to approximately one-quarter of that amount.

Kent Benner, from the Oregon Clinic offered invited testimony. He is a hepatologist member of the external “Community Advisory Panel” who helped develop the criteria adopted by the P & T Committee for prior authorization. He declared no conflicts of interest. He stated that the prevalence of hepatitis C has not yet reached its peak. He also discussed the costs associated with liver decompensation and this should be considered in a cost-effectiveness analysis, mentioning studies that show a 8-15 fold reduction in endpoints if the virus can be cleared. Studies have typically excluded patients whom are sick with decompensation. He believes there is sufficient data to validate the effectiveness of these new drugs, and that they are game changers. Dr. Benner explained the rationale for treating the patients more urgently needing care represented in the latest P & T criteria, but said that this “triaging” raises major clinical and policy questions.

*Public Comment:*

Lauren Sant, Director of the Caring Ambassadors program. She acknowledged Caring Ambassadors gets unrestricted funding from every pharmaceutical company. She said that that moving drugs below the funding line is against the law. She discussed that current therapies are toxic, and that keeping telaprevir and boceprevir as an option is criminal. She requested public input into the process. She said that she was co-chair of the “Fair Pricing Coalition” for many years and acknowledged the high price of these drugs.

Steve Nemerow, who represented himself and declared no conflicts of interest. He discussed his personal experience with Sovaldi and how this therapy cured him and allowed him to work and be functional. He said the committee shouldn’t be saving money, but rather should be saving lives.

BJ Cavnor, Executive Director of One in Four Chronic Health. He acknowledged his organization receives unrestricted education

grants from the pharmaceutical industry, although they have not received funding from Gilead. He argued that the cost of not treating hepatitis C needs to be looked at, not just the cost of treating. He also addressed the need to treat individuals with HIV co-infection. He reports working on price reduction of drugs since 1997.

Dr. Olson asked to clarify what options were available to the subcommittee. Livingston discussed options of placing these treatments above or below a line, with or without a guideline, or to remain silent. Dr. Benner also asked some clarifying questions and stated that some of the studies of these medications have looked at non-treatment naïve patients. Additionally a question was asked about whether patients with decompensation will improve, and the answer was it is unknown. There is the hope that this will remove people from the transplant list but the data is not there yet. There is also the reality that relapse rates are likely higher than in the initial studies.

Mark Gibson discussed concerns about potential different coverage between fee-for-service and CCOs if these treatments are prioritized below the funding line. The subcommittee also discussed issues about price and there being an absolute limit to what can be funded for OHP, also balanced with education, child protective services, and public safety. If money were to be redirected from social supports to health care, then a net health deficit would be created. There was a discussion about price differences between different countries, and how, because of the price set, and the profit being derived from this drug, this is creating very difficult decisions. The moral aspects of the pricing of this drug were discussed. There was discussion about endorsing P&T Committee criteria. The group discussed the challenge that if it does cost ~\$40 million dollars, then where is that money going to come from and what other budgets are being put at risk? There was a request for the future to address high cost medications with some sort of standard or consistent guideline.

There was a discussion about the suggested criteria regarding drug and alcohol use and abuse. They decided that 6 months of abstinence from alcohol misuse or hazardous drinking and substance use (or misuse of prescription medication) was appropriate.

Tyack announced a potential conflict of interest that did not require recusal.

There were concerns about currently available economic analyses not showing that this will save costs. There was a discussion that the cost in Oregon should be known, up front, as well as projected costs and savings down the road. It was suggested the legislature would need to find additional funding to work around 2% cap. Another proposal was to not offer the drug and then the effective price may drop, this has been seen in oncology drugs. After discussion, the subcommittee requested that

**MOTION: To recommend keeping medical treatments for Hepatitis C on lines 205 and 360 with a guideline note referencing the P & T committee criteria, and to have staff bring back revised wording reflecting today's discussion to the August 14, 2014 VbBS meeting for additional review.**

**CARRIES 8-0.**

**Actions:**

- 1) Amend Guideline from the meeting materials and bring it back to the VbBS meeting next week for final review and approval
- 2) Staff directed to bring back a guideline proposal for handling the prioritization of high cost medications at a later meeting

➤ **Issues for next meeting:**

- Nerve blocks
- Diabetic retinopathy codes
- Tympanostomy tube removal
- Spinal manipulation for treatment of migraine and tension headaches
- Wearable cardiac defibrillators
- Fibromyalgia related diagnoses
  - General conditions
  - Chronic fatigue syndrome
- Hyperbaric oxygen
- Percutaneous intervention for cervical spine
- Guideline note on spinal disorders with neurologic impairment
- Rehabilitation guideline
- Lymphedema guideline
- Denture guideline
- Adenoidectomy – revisions to the obstructive sleep apnea guideline and sinusitis surgery guideline
- RSV guideline
- Botulinum toxin
- Gender dysphoria

- Hepatitis C
- The new “non-covered” section of the Prioritized List
- Applied behavior analysis for the treatment of non-autistic self-injurious behavior
- Standardized assessment tools for evaluating progress in the treatment of autism spectrum disorder

➤ **Adjournment**

The meeting was adjourned at 3:40 pm. The next meeting will be held from 8:30 am to 1:00 pm on Thursday, August 14, 2014 at the Meridian Park Hospital Community Health Education Center in Conference Room 117B&C.