INTRODUCTION

Rising healthcare costs impact our nation at an unsustainable rate. Contributing to the cost of healthcare are preventive care services. Services are determined by an analysis of clinical evidence sourced from literature reviews and studies, but no cost risk/benefit analysis. Fiscal value is not considered against quality of life outcomes.

Total US healthcare spending has risen from $2.5 trillion in 2011 to $3.5 trillion in 2014, equivalent to 17.5 percent of the GDP. Preventive care equates to 3.5% of total healthcare spending.1,3 The US Preventive Services Task Force (USPSTF) Transparency and Accountability Act of 2015/ H.R 1151 seeks to reform the process by which the USPSTF reviews and develops recommendations. The bill would allow for a health economist to serve on the USPSTF and an increase in transparency and accountability of the USPSTF under requirements set forth by the Federal Advisory Committee Act and the Administrative Procedures Act.2

The USPSTF develops and approves preventive care screening recommendations. Sixteen clinical volunteer experts develop recommendations based on literature review and analysis and grade findings A-D or I.1 While there is the promise of return on investment for preventive screening, there is no fiscal review of recommendations. Consequently, the constraints and limitations of the taskforce have implications on ‘certainty of net benefit’ since recommendations have serious cost consequences on both public and private spending.4

Further, some screening and preventive measures increase the cost of medical care without necessarily improving health outcomes. Studies show that screening may lead to false positives and over diagnosis; as a result, additional treatments may lead to other side effects or consequences.5 Increased cost awareness brings awareness to resource utilization. When the perception of value is based purely on patient outcomes, the assumption is that care is of high value if it contributes to good patient outcomes and improved population health. This theory results in provision of and increased access to more assessments and more care, thereby increasing costs and further perpetuating the unintended effects of capitalization-based reimbursement.6,8

On the other hand, understanding cost has the potential to reduce or limit services and coverage. The unintended consequence is poor community health outcomes and an even bigger burden of disease and disability management.

Ethical Considerations

Ethical implications of assigning a quality and cost value is intertwined with the balance between beneficence versus non-maleficence: for example, the risk of not performing routine mammogram screening against the exposure to excessive radiation from mammograms or computed tomography (CT) scans.7,9

PSA testing was issued a D grade which recommends against the service due to insufficient evidence. Consequently, in a recent study presented at the Genitourinary Cancers Symposium, there has been a 3% increase in the number of men diagnosed with high-risk prostate cancer each year.8

ECONOMIC CURRENCY

The biggest challenge is finding the right formula. Several factors impact level of value for preventive assessments: 1) There is limited substantial data on cost, resulting in lack of confidence in the science of determining cost value; 2) Cost definition is fluid and based on variable contractual arrangements and payor variables.5

Finally, unlike European countries where drug and device prices are capped, in the US economic value is not constant; the actual cost of care changes more rapidly than the available evidence of the benefit, and an added dimension is inherent to rapid advancement of science through technology.9

Quality Life Adjusted Year (QALY) is a common currency which incorporates the benefits gained from the service related to quantity and quality of life and society’s preparedness to pay for that measure of health.9

Perfect 1.00
Quality of Life Weight
Years in Life Gained
Willingship-to-pay measures the value of a statistical life (value of reducing mortality risk) and is dependent on base line risk and wealth. This framework requires patients to select between treatment options that differ in health risk and monetary consequences.10

Cost Effective or Cost Prohibitive?

The Government Accountability Office conducted a review on the cost-effectiveness of preventive care services. The findings revealed that out of 24 preventive services covered under the ACA only five were cost saving.11

CONCLUSION

Several OECD countries have an economic framework for measuring value of medical services and devices made available through pricing caps set by each country. In the US, however, the price of goods, services, devices and pharmaceuticals is variable and extreme. Based on this factor, establishing a medical economic framework is not that simple. However, understanding the cost/benefit of service is important to managing costs and measuring effectiveness of such policy decisions.

Due to the limitations of scope of the USPSTF, support for the USPSTF Transparency and Accountability Act of 2015/ H.R 1151 is recommended. This bill would:

• Promote cost awareness
• Create monitoring of resource utilization
• Enhance accountability and increase transparency

References