

## Academy Camp Abstract

Activity in pharmacoeconomics is among the most requested tasks of hospital pharmacists stipulated in an employment contract. It is widely interpreted as a cost-saving task. Saving can be realised in many domains of hospital pharmacy practice and can include long-term global approaches as well as short-term targeted actions, e.g.

- Cost of medicines provided via the usual supply chain (as cost is the product of the single price and the amount)
- Production and quality control cost
- Overhead cost of administration, quality assurance and allowances
- Human, financial, infrastructure and equipment resources
- Information and knowledge management cost

Savings alone do not warrant the success of a pharmacoeconomics approach. Many factors influence cost and outcome. This Academy Seminar is to give an overview about:

- Characteristics of public health and pharmacoeconomics as compared to macroeconomics (Seminar I)
- Scientific methodologies used for pharmacoeconomics analyses (Seminar II)
- Influence of pharmacoeconomics on clinical decisions (Seminar III)
- Financing models and budgeting processes (Seminar IV).

### ***Target group of the seminar***

The target group comprises hospital pharmacy managers, mainly heads and/or deputy heads of pharmacy, particularly those from the new EU countries and new members of EAHP.

## Contents of the seminars

### **Seminar I: General, Public Health and Pharmacoeconomics**

#### **Abstract**

Pharmacoeconomics as one of the tasks stipulated in a hospital pharmacist's employment

contract is to satisfy particularly the financial interests of employers, governments, administrations and taxpayers. However, physicians and patients are further players in public health who have an interest of their own in the outcome of a case. The hospital pharmacist may be in a conflict of interest as he has to integrate clinical, financial and quality of life requests.

Incompatible interests of key-players are the reason why macroeconomic approaches generally fail in public health. The market as coordinating mechanism, true providers, consumers, offer and demand do not exist accordingly. There is much regulation and many ideological doctrines. Advice on how to obtain a favourable cost-benefit ratio is as broad as interests.

### **Teaching goals**

- To distinguish open-mindedly between macro- and pharmacoeconomics
- To assess critically the area of conflict between regulation implemented by politics or governments due to economic reasons and the need for flexibility in hospital practice to override access restrictions
- To evaluate economic items from different points of view, e.g. general, public health and pharmacoeconomics

### **Learning objectives**

Delegates

- comply to the pharmacoeconomic and macroeconomic mind-sets
- apply and compare theories and methods of macroeconomics and markets with practical pharmacoeconomics in the daily work

## **Seminar II: From policy (-> pharmacoeconomics) to science (-> pharmacoeconomics analysis and research)**

### **Abstract**

Pharmacoeconomics is a scientific discipline that evaluates pharmaceutical interventions, taking into account both costs and the value of health benefits. The methodologies used in pharmacoeconomic evaluations may be varied and often complex. The most common approaches include: cost-effectiveness analysis, cost-utility analysis, cost-consequence analysis, cost-minimisation analysis and cost-benefit analysis. Increasingly, policy makers are requiring pharmacoeconomic evidence to support their decisions on the adoption of pharmaceutical interventions within a health technology assessment framework; pharmacoeconomic evaluations are important tools to aid these decisions on the adoption of new pharmaceutical and non-pharmaceutical interventions.

### **Teaching goals**

- To provide an understanding of common methodologies used in pharmacoeconomic analysis
- To recognise the strengths and limitations of pharmacoeconomic analysis
- To illustrate the application of pharmacoeconomic analysis to inform decision-making in healthcare

## **Learning objectives**

Delegates

- understand how health technology agencies in Europe use the evidence of pharmacoeconomics to make policy decisions on the adoption of new interventions
- adapt the pharmacoeconomic approaches accordingly to optimize their hospital's formulary
- provide an added value to descriptive statistical analyses by scientifically writing cost reports

## **Seminar III: Discrepancy between clinical decisions and economic factors**

### **Abstract**

This seminar will cover the availability of medicines and the reimbursement rules, i.e. marketed drugs are principally available, but are they reimbursed in every case? An ethical and (logical "and") financial approach on whether all patients get equal therapies and care will be developed. If not all medicines are readily available to all patients the outcome may suffer. Very expensive drugs such as cytotoxics or biotechnologically produced drugs are restrictedly used. Less available may be as well drugs used in clinical trials, parallel trials, compassionate cases, orphan drugs, and/or preparations.

### **Teaching goals**

- To recognize how clinical decisions are influenced by economic factors
- To analyse patient access schemes and Dunner's funnel as tools for reimbursement decisions
- To evaluate the importance and special status of orphan drugs in personalised medicine

## **Learning objectives**

Delegates

- conciliate interests of therapists, administrators, taxpayers, and patients involved in providing access to therapies and reimbursement decisions
- possess tools to resolve discrepancies between clinical decisions and economic factors.

## **Seminar IV: Financing models and the budgeting process**

### **Abstract**

In recent years, many governments and authorities have passed from fixed to global budgets allocated to public health hospitals, which have to plan and decide on financial resources on their own. A common way is to pass the token to the departments and clinics, which play the same game again. A hospital pharmacy is at the final position, gets its budget and has to periodically pass controlling. However, the use of medicines depends on the patient-mix which cannot be precisely foreseen. The hospital pharmacist may be in a conflict of interest if budgets may get out of control while he has to defend the patients' interests. As to close the circle to Seminar I, an added value of patients recovered and reintegrated in the production process is booked in another sector outside public health. The public health sector may have

no choice than to accept its role as a cost producer.

### **Teaching goals**

- To interpret and anticipate consequences of financing models and budgeting processes
- To get familiar with the theories on budgets and controlling, direct, indirect, intangible costs, virtual and real gains
- To develop coping strategies to cope with additional challenges of drastically restricted budgets in times of economic crisis

### **Learning objectives**

Delegates

- analyse and manage adequately allocated resources
- participate in the bottom-up approach in economic problem solving in the hospital

Last update: 27 August 2013

---