

Prescription for Pharmacoeconomic Analysis - Methods for cost-utility analysis

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Foreword

The *Prescription for Pharmacoeconomic Analysis* (PFPA) is a guide for anyone assessing the value for money of pharmaceuticals in New Zealand.

The intention is that funding proposals can be assessed to common standards, to support the best possible comparison between proposals. The PFPA may be useful for applicants submitting funding applications to PHARMAC, whether for medicines (which includes vaccines and some haemophilia treatments) or medical devices. PHARMAC follows the PFPA's recommendations when reviewing applications or undertaking its own assessments. While it forms an important part of PHARMAC's decision making processes the PFPA is only a guide – PHARMAC is not bound to adhere to it in every detail, or in every case.

The PFPA was first developed in 1999, when PHARMAC published its internal guidelines for cost-utility analysis for valuing medicines. The PFPA has grown and developed along with PHARMAC's expanding role. At its foundation, PHARMAC was responsible for community medicines. PHARMAC's scope has since broadened to include hospital medical devices, hospital medicines, some haemophilia treatments, and vaccines.

This version 2.2 of the PFPA includes explicit guidance for assessing medical devices and vaccines. The Pharmaceutical Schedule has always included some medical devices, and now includes the National Immunisation Schedule. In 2013 and 2014, PHARMAC consulted on its management of hospital medical devices. Stakeholders gave a clear message that while devices and medicines have much in common, there are also important differences in how they are researched, developed, and used. As a result, there may be differences in the availability of good quality evidence, and in the range and type of costs that should be routinely considered. Assessment methodologies need to be flexible enough so they can be applied to the full range of health interventions that PHARMAC considers.

The second important difference between this version 2.2 and the previous version 2.1 of the PFPA is that it supports PHARMAC's move from Decision Criteria to Factors For Consideration. The economic assessments described in this *Prescription for Pharmacoeconomic Analysis* can help to inform PHARMAC's consideration of many, but not all, of the Factors.

PHARMAC will continue to review and update its methods for assessing pharmaceuticals, and the *Prescription for Pharmacoeconomic Analysis* will continue to be updated to remain a useful resource for the New Zealand health system.

next > (<https://www.pharmac.govt.nz/medicines/how-medicines-are-funded/economic-analysis/pfpa/1-background/>)

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