Technology and Cost: The Ethics of Health Technology Assessment

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Michael K. Gusmano, PhD
Research Scholar
The Hastings Center
Dartmouth Health Atlas

Total Medicare Reimbursements Per Enrollee
Adjusted by Price, Age, Sex and Race, 2012
Lofty Expectations

• “If we can move our nation toward the proven and successful practices adopted by lower-cost areas and hospitals, some economists believe health care costs could be reduced by 30% – or about $700 billion a year – without compromising the quality of care.

  – Peter Orzag, Director, Office of Management and Budget
Feared Consequences

• “The stimulus bill included a national health board similar to the one in Britain that could potentially lead to bureaucrats making health care decisions rather than patients and their doctors”
  – Conservatives for Patients’ Rights

• “We don't want [the research] to be used to deny access to care.”
  – Lori Reilly, Vice President for Policy and Research at the Pharmaceutical Research and Manufacturers of America

• “This research to deny access to appropriate treatments for individual patients with individual medical histories and individual needs should not be the objective.”
  – Teresa Lee, vice president of the Advanced Medical Technology Association
History of Health Technology Assessment in the U.S.

• Previous federal efforts to institutionalize health technology assessment have been abandoned, dismantled, or downscaled
  – AHCPR back surgery practice guidelines (1996)
  – ACA Restrictions on PCORI
How to count costs and benefits?

- What about “downstream” costs and benefits?
- What sort of discount rate should we use?
- Distributional consequences
- Disability rights critique
- Opportunity costs