Economic evaluations for cancer drug reimbursement policy-making in practice

My views from the Pharmacoeconomics Research Unit

JACLYN BECA, MSC

CCHE SEMINAR | JANUARY 2020



Outline

- Overview of cancer and the public cancer system
 - Cancer
 - Cancer drug funding
 - Ontario Health (Cancer Care Ontario)
 - Pharmacoeconomics Research unit: What we do and why we do it
- Pharmacoeconomics in cancer
 - Challenges in developing and interpreting economic evidence
 - Focus on modelling approaches: partitioned survival and Markov models
 - Future directions for the field



Overview of cancer and the public cancer system

Cancer

Cancer

- What makes it important to study
- Some features that require special consideration



Cancer in Ontario





Cancer





https://www.cancercareontario.ca/en/cancerplan

Increased incidence and prevalence



NEW CANCER CASES ARE RISING^[*]

MORE PEOPLE ARE SURVIVING AND LIVING WITH CANCER

As of 2013, the overall 5-year cancer survival rate was 65%, up from about 48% in the mid-1980s, though there was variation in survival across cancer types.^[*]



585,016 people diagnosed with cancer in the past **30 years** are still alive



https://www.cancercareontario.ca/en/cancerplan



Collins



Dr Robert Buckman Foreword by Dr Miriam Stoppard

Cancer

If you're reading this book, you're probably reeling.

Most people are knocked off balance and reeling when the diagnosis is a cancer. It's the normal reaction: it's what everybody experiences, and it's

is

The problem starts with the word *cancer*. There are so many overtones and associations attached, it is probably the most dreaded word in the English language. It brings with it, universally, queasy feelings of fear and doom. Many people describe the sensation as chilling, or as a sense of helplessness, or even as a foggy feeling of mental paralysis. They experience a

sentence.

A six-step, practical guide.



Dr Robert Buckman Foreword by Dr Miriam Stoppard

Cancer

Collins

title. The whole problem starts with the fact that we are discussing a word, a single word that (as you'll see) lumps together over two hundred different diseases. Yet that word should not be the end of a conversation, it should be a beginning – it should be the start of a fact-finding mission. As you will learn in the rest of this book, what really matters to you is not simply the diagnosis itself, but many other aspects of your situation that are much more important and relevant to you and your future.

Questions such as these:

- What specific disease which of the two hundred different cancers – is it?
- What does it actually mean for your future?
- How does this particular cancer behave?
- What are the treatment options?

Ontario Health

Cancer Care Ontario

Dr Robert Buckman Foreword by Dr Miriam Stoppard

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Cancer is common - but many cancers are not

FIGURE 1.4 Distribution of new cancer cases for selected cancers, by age group, Canada (excluding Quebec), 2011–2015



Age group, in years (percentages of all cancer cases[‡])



Canadian Cancer Statistics, 2019 : cancer.ca/Canadian-Cancer-Statistics-2019-EN

Improvements...

 For 2012 to 2014, the age-standardized predicted five-year net survival for all cancers combined was 63%. This was up from 55% in the early 1990s.

FIGURE 3.1 Predicted net survival for leading causes of cancer death by survival duration, ages 15–99, Canada (excluding



1984–2015 APC

FIGURE 2.7 Most recent annual percent change (APC)¹ in age-standardized mortality rates (ASMR), by sex, Canada,



Analysis by: Centre for Population Health Data, Statistics Canada

Data sources: Canadian Cancer Registry death linked file (1992–2014) and life tables at Statistics Canada



Canadian Cancer Statistics, 2019 : cancer.ca/Canadian-Cancer-Statistics-2019-EN

Oncology represents 33% of all drugs under development



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CADTH Drug Submissions



CADTH Drug Portfolio Information Sessions Nov 2019



rio <u>https://www.cadth.ca/sites/default/files/events/Drug%20Portfolio%20Info%20</u> Session%20-%202019%20-%20Consolidated%20Deck%20-%20FINAL.pdf

CADTH

Benefits are incremental, small, often unknown

OS Benefit Not Found For Majority Of Novel Oncology Indications After US FDA Approval

Almost two-thirds of novel oncology drug indications do not achieve an overall survival or patient-reported outcome benefit

Date: 09 Jul 2019

Author: By Lynda Williams, Senior medwireNews Reporter

Topic: Anticancer Agents / Bioethics, Legal, and Economic Issues

medwireNews: A review of novel oncology treatments suggests that less than a third achieved an improvement in overall survival (OS) after approval by the US Food and Drug Administration (FDA).

Figure 2. OS and PRO Benefits for 71 Initial Indications of 65 Novel Oncology Drugs Approved by the FDA Between 2011 and 2017^a



Zettler et al. *JAMA Oncol*; 2019. doi:10.1001/jamaoncol.2019.1760



Results | Between 2011 and 2017, 65 drugs were approved for 71 oncology indications. For 15 of the 71 (21%) initial indications, the approval was supported by OS data (median OS gain, 1.7 months [range, 1.4-11.8 months]). For 54 of the 71 (76%) initial indications, the approval was supported by a surrogate end point (**Figure 1**). For indications approved based on OS data, 14 of the 15 (93%) indications were granted via traditional regulatory pathways vs 23 of the 54 (43%) indications based on surrogate end points.



Discussion | We found that the use of surrogate end points has increased in recent years (76% vs 67% during 2008-2012).⁴ For

new oncology drug indications based on OS, OS gains were marginal. In the absence of OS benefit, an argument can be made that novel oncology drugs might provide patients with better quality of life. However, only a quarter of the indications showed a statistically significant improvement in PROs.

More than half of the indications for oncology drugs we evaluated have not demonstrated an OS benefit nor a PRO improvement. A recent review of oncology drugs approved by the European Medicines Agency reported a similar finding.⁵ While

Drug prices are soaring

Monthly and Median Costs of Cancer Drugs at the Time of FDA Approval

1965-2015

A Month of Meds

Median price^{*} of cancer drugs approved during each five-year period, for a month's supply



Source: Peter B. Bach, MD, Memorial Sloan-Kettering Cancer Center





*initial price upon approval, in 2014 dollars Source: Peter Bach at Memorial Sloan Kettering Cancer Center

THE WALL STREET JOURNAL.

https://www.asc.ohiostate.edu/wilkins.5/dru gcost.html

Top Cancer Doctors Call for Lower Drug Costs

Maya Rhodan @m_rhodan July 23, 2015



"It's time for patients and their physicians to call for change"

A group of cancer doctors are joining grassroots organizers and politicians in pleading with pharmaceutical companies to reduce the cost of cancer treatments.

In an editorial that ran Thursday in the *Mayo Clinic Proceedings* journal, 118 cancer experts produced a series of recommendations they say would lead to a



Cost of Cancer Drugs: Something Has To Give

The drugs often are more effective and have fewer side effects. The science —often just amazing. Medically, cancer treatment has never been in a better place. But are high prices making it unaffordable? Payers, providers, policymakers, and drugmakers themselves are wrestling with the issue. Meanwhile, many patients are being priced out of treatments that could save their lives.

May 3, 2018

ERIC BENDER



"Unsustainable" Cancer Drug Prices

April 2014

in 🖂

By William Faloon

Over **100 oncologists** are protesting the outlandish prices charged for **cancer drugs** and how these inflated costs are economically "*unsustainable*."¹

Their exposé was published in a prestigious medical journal and received **headline news** coverage last year.^{1,2}

The more than 100 oncologists who authored this report noted that of twelve cancer drugs approved in **2012**, eleven were priced above **\$100,000 per year**.¹

Before relating the details, I ask readers to fathom who can afford **\$100,000 a year** for one drug? This does not include hospital costs, physician fees, or other medications cancer patients typically require.

Public coverage of cancer drugs

October 26, 2013 6:57 pm HEALTH

Updated: October 29, 2013 11:43 am

Milton mother with two months to live devastated after OHIP fails to cover cancer treatment



By Andrew Russell

Cancer's rapidly rising in Ontario-and coverage Breaking News Reporter isn't keeping pace with new treatment



Last-ditch effort for Ontario breastcancer drug funding turned down

KAREN HOWLETT, LISA PRIEST AND TAMARA BALUJA The Globe and Mail Published Thursday, Mar. 10, 2011 4:10PM EST Last updated Thursday, Aug. 23, 2012 4:56PM EDT



Public spending on cancer drugs in Ontario now exceeds \$1 billion



<u>*Annual expenditures are reported for IV cancer drugs (n=52) reimbursed by the New Drug Funding Program (NDFP) and take-home cancer drugs (n=91) reimbursed by the Ontario Drug Benefit Program (ODB).</u>

[†]Government costs include drug costs and any associated pharmacy fees (for drugs reimbursed by ODB). Costs reported do not reflect manufacturer rebates (if applicable).

Source: ODB costs - ICES data (June 2019); NDFP costs - CCO data (June 2019)

Overview of cancer and the public cancer system

Cancer drug funding

Drug funding review process

Clinical trials suggesting promise





Drug funding process - Federal



- Manufacturer-initiated
- Market authorization for a specific indication (reason for use)
- Review detailed clinical evidence, safety, manufacturing etc.
- Another federal body: Price ceiling based on external reference pricing



Patented Medicine Prices Review Board Conseil d'examen du prix des médicaments brevetés



Drug funding process – pan-Canadian



- In-depth review and deliberation of multiple factors - benefit, value, values
- Understand impacts of a technology on patient and health system
- Inform policy decision-making for publiclyfunded services

pERC's <i>Deliberative Framework</i> for drug funding recommendations focuses on four main criteria:	
CLINICAL BENEFIT	PATIENT-BASED VALUES
ECONOMIC EVALUATION	ADOPTION FEASIBILITY



Drug funding process - Provincial



- Collaborative pricing decisions
 - One jurisdiction leads engagement for all provinces; agree to a letter of intent for common terms
- Funding decisions
 - Variation by jurisdiction whether handled by government, delegated to cancer authority, or combination
- Implementation
 - Eligibility, pathway, system, budget



Ontario drug review process





Drugs are funded from many Ontario sources





Overview of cancer and the public cancer system

Ontario Health (Cancer Care Ontario)

Cancer Care Ontario

- Cancer Care Ontario, now part of Ontario Health, is the Ontario government's principal cancer advisor
- Provincial Drug Reimbursement Programs at Cancer Care Ontario administers cancer drug and service funding programs on behalf of the Ministry of Health
- The Pharmacoeconomics Research Unit provides health economics research and support to the Drug Programs and by extension to the Ministry and other stakeholders in the cancer drug funding process



Provincial Drug Reimbursement Programs and Pharmacoeconomics (PE) Research Unit





Ontario drug review process – PDRP roles

PDRP provides system input and collaborates with partners across the process



Cancer Care Ontario

Clinician support to system

Direct clinical engagement through Drug Advisory Committees (DAC), who provide timely evidence-based clinical and health system guidance on drug-related issues



Ontario Cancer Leads (OCL) for each DAC (Breast, Gastrointestinal, Genitourinary, Gynecology, Hematology, Lung, Head Neck & Thyroid, Neurooncology, Skin)



Voluntary DAC members



DACs can initiate drug submissions and provide inputs throughout the drug review and implementation processes



Members assist with horizon scanning, development of treatment algorithms, preparing proposals for consideration under the Evidence Building Program, individual case reviews and policy reviews as well as evaluation



Overview of cancer and the public cancer system

 Pharmacoeconomics Research unit: What we do and why we do it

What is pharmacoeconomics?

- A discipline to help assess the value of new therapies (often, new drugs)
- An economic evaluation considers both costs and clinical benefits of a new treatment compared to current options
- Helps ensure we use resources efficiently and achieve best possible benefits for patients



Pharmacoeconomics is crucial to ensuring value for money in our system



Pharmacoeconomics Research Unit

The Pharmacoeconomics Research unit helps the system incorporate economics into decision-making

The Pharmacoeconomics Research Unit's work explicitly supports the guiding principles of Ontario's public drug system, in aiming to meet the needs of Ontarians while achieving value for money with funding decisions made on the best clinical and economic evidence available

- High-quality applied economics expertise, with policy focus
- Direct clinician engagement for identification of issues, prioritization of topics, and clinical input for economic model development
- System integration (drug program and MOH) understanding of payer perspective to ensure policy relevance of analysis and responsiveness



Where does PE Unit work fit in? **During funding** Before a drug is funded After a drug is funded consideration Health Regulatory Canada National pan-Canadian pan-Canadian Pharmaceutical **Oncology Drug** review Review (pCODR) Alliance (pCPA) Ontario **Public Drug Provincial Ontario Steering** Programs **Final Decision by** Ontario review for Committee for Cancer submission **Executive Officer** Drugs Ontario Cancer Care Ontario Hospitals & Practice **Patients** Economic evidence for Real-world evidence of Implementation input, submissions negotiation support funded drugs **Ontario Health** Cancer Care Ontario
Pharmacoeconomics Research Unit Roles

Economic evidence is a key consideration in health technology assessment, pricing discussions and system efficiency



Before a drug is funded: Economic evidence for submissions

• Develop economic evaluations to assess cost-effectiveness and budget impact for drug funding consideration where there are clinical gaps



After a drug is funded: Real-world evidence (RWE)

• Analyse real-world data of funded therapies for ongoing monitoring and reassessment (treatment patterns, clinical outcomes, cost-effectiveness)



Support and leadership: Efficiency and sustainability

• Help decision-makers and HTA review bodies interpret complex economic evidence; support negotiations; provide policy-relevant analysis and research; inform policy directions for sustainability



Clinician-driven funding submissions

OH (CCO) facilitates prioritization and development of drug funding submissions with the clinical community to address funding gaps that will not otherwise be addressed by industry

Why?

- Funding consideration involves same rigorous requirements and review process regardless of submitter (e.g., evidence for benefit, safety, and cost-effectiveness)
- Mechanism for clinicians to remedy or clarify funding concerns of clinical interest and potential benefit to patients that are not being addressed by industry
- Enable consideration with robust, unbiased economic evidence for decision-making
- Avoids having drug funding process solely driven by manufacturer interests
- Often scenarios that are low-profit for industry (generic products, small markets)
- Promotes access to effective and cost-effective treatment options, often with small budget impact

Clinician-driven funding submissions

How?

- The PE Unit, PDRP and Ontario Cancer Leads developed a clinician-led identification and prioritization process across different tumor groups
- Prioritize funding gaps of highest potential benefit to patients, ensuring resources are devoted to high-priority topics and supported by clinical expertise



ORIGINAL ARTICLE

Impact of a novel prioritization framework on clinician-led oncology drug submissions

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ABSTRACT

Background In Canada, requests for public reimbursement of cancer drugs are predominately initiated by pharmaceutical manufacturers. Clinician-led submissions provide a mechanism to initiate the drug funding process when industry does not submit a request for funding consideration. Although such requests are resource-intensive to produce, Cancer Care Ontario (cco) has the capacity to facilitate clinician-led submissions. In 2014, cco began developing a cancer drug prioritization framework that allocates resources to systematically address a growing number of clinician-identified funding gaps with clinician-led submissions.

Drug Advisory Committee		Submitted	Year	Status
Site	Funding request	to	assessed	
Gastrointestinal	Capecitabine–oxaliplatin (XELOX) as adjuvant therapy for stage III colorectal cancer	OSCCD	2015	Funded under NDFP and ODB
Gynecology	Liposomal doxorubicin with carboplatin in ovarian cancer with platinum-sensitive occurrence	OSCCD	2017	Funded under NDFP
Hematology	Bortezomib retreatment for relapsed or refractory myeloma	OSCCD	2017	Funded under NDFP
Multiple ^a	Capecitabine for multiple evidence-informed regimens	OSCCD	2017	Funded under ODB as general benefit
Breast	Pending	OSCCD	2018	Pending
Hematology	Pending	OSCCD	2018	Pending
Lung	In progress	In progress	In progress	In progress

TABLE III Clinician-led submissions to Cancer Care Ontario's Drug Advisory Committee since 2015

^a Including gastrointestinal and breast.

OSCCD = Ontario Steering Committee for Cancer Drugs; NDFP = New Drug Funding Program; ODB = Ontario Drug Benefit.



Pharmacoeconomics in cancer

• Challenges in developing and interpreting economic evidence

The relevance of economic evaluations

pCODR recommendation outcomes Completed reviews, 2011-2018, n=103



The relevance of economic evaluations

Value for money, in the form of cost per QALY gained, does not appear to play a role in the initial decision to reject or accept, but it was a key factor in the decision over full versus conditional approval (in non-rejected cases). There

Submissions with a higher ICER were more likely to receive a conditional than a full approval. Each \$Can10,000 increase in ICER was associated with a 3.3% decrease in the likelihood of full approval. The ICER was the only statistically significant contributor to the full versus conditional approval recommendation. The impact

Skedgel et al. Pharmacoeconomics 2018





Fig. 1 Predicted probability of full approval by incremental costeffectiveness ratio (ICER) and final recommendation

Economics in theory vs practice

Economic evaluation as

- Decision tool
- Resource allocation
- Evidence synthesis
- Opportunity cost



Considerations in developing the economic evidence

- Understanding the decision problem
 - Treatment pathway, relevant comparator, place in therapy
- Data sources
 - Clinical trials, published sources, administrative data
- Designing the model
 - Model types
 - Extrapolation to lifetime outcomes
 - Exploring uncertainty



Goal: Evaluate the new treatment in comparison with the current alternatives for the same condition

Key challenges:

- Outdated comparators
- No comparative data (approved from single-arm data)
- Multiple comparators
- Multiple sequences treatment pathway



Goal: Evaluate the new treatment in comparison with the current alternatives for the same condition

• Understanding current state, place in therapy ensures results are relevant to the decision problem



Goal: Evaluate the new treatment in comparison with the current alternatives for the same condition

 Understanding current state, place in therapy ensures results are relevant to the decision problem





Goal: Evaluate the new treatment in comparison with the current alternatives for the same condition

• Understanding current state, place in therapy ensures results are relevant to the decision problem



Goal: Identify relevant and robust comparative data for all the outcomes of interest

Key challenges:

- Clinical trial data are limited
 - Small samples, non-comparative
- Clinical trial data are incomplete
 - Short follow-up, interim analysis/early termination
 - Patients who switch to the new therapy (crossover)
- Not possible to conduct some studies



Goal: Identify relevant and robust comparative data for all the outcomes of interest

• Consider all relevant data sources to populate model

Crizotinib for advanced ROS1+ NSCLC

- ROS1-rearrangements found in ~1-2% of NSCLC cases
- Crizotinib, ALK+ targeted agent, activity against ROS1+ NSCLC
- No comparative trial evidence, small single arm studies
- Previous analyses relied on results in ALK+ population



Data sources

- Literature review: identify all relevant studies in ROS1+ NSCLC, range of outcomes
- Comparison of baseline characteristics, prior treatments, study designs
- Digitized and recreated individual-level survival times
- Evaluated uncertainty with different combinations, statistical uncertainty

Author	Study Design		
Crizotinib			
Mazieres 2015	EUROS1 Retrospective study (n=31)		
Shaw 2014	PROFILE 1001 Single-arm, multicentre, open-label phase I trial (n=50)		
Wu 2018	Single-arm, multicentre phase II trial (n=127)		
Chemotherapy			
Drilon 2016	Retrospective study with 1L platinum + pemetrexed (n=10)		
Mazieres 2015	EUROS1 Retrospective study, pemetrexed (alone or with platinum) (n=26)		
Song 2016	Retrospective study with 1L palliative pemetrexed/platinum (n=12)		
Zhang 2016	Retrospective study with pemetrexed (n=28)		
Kim 2013	Retrospective study with pemetrexed (n=5)		



Pooled survival analysis



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Designing the model

Goal: Capture the disease pathway and all relevant events using a structure and approach appropriate for the decision problem

 Reflect current clinical or care pathway and populate with relevant data for individual's lifetime

Challenges:

- Trial outcome data and model data differ
 - Require secondary sources, assumptions
- Require extrapolation beyond observed data
- Assumptions can drive the model results



Addressing challenges

- Statistical methods for indirect treatment comparisons
- Statistical methods for extrapolation, crossover adjustment
- Incorporation of external data, use of historical controls
- Sequential analysis of multiple options incremental
 - Analyses still typically limited to single comparators rather than mix
- Emergence of partitioned survival modelling
 - Need for reasonable survival extrapolation assumptions
 - Validation, sensitivity analysis, parameter and structural uncertainty

What is most relevant to the policy decision? What impact do assumptions have on the results?



Pharmacoeconomics in cancer

 Focus on modelling approaches: partitioned survival and Markov models

Cost-effectiveness analysis

- Compare (at least) two treatments
- What happens when using each alternative
 - Timing of events, costs and consequences
 - Estimate survival for each group (life years, quality-adjusted life years) for remaining lifetime
- Simplify disease trajectory into finite number of health states
- Key events in oncology
 - Progression (tumour growth >20%) -> Progression-free survival
 - Death -> Overall survival



Getting from clinical trial to economic model

Cancer Care Ontario



Two modelling approaches

• Estimate survival (life years):

Indirectly	Directly
Estimate risks of progressing from health states until reaching absorbing death state	Estimating (extrapolating) OS curves
Adding up time spent in the living health states	Adding up area-under-the-curve
Markov model	Partitioned survival analysis



Markov model

- Health states to represent different costs, quality of life, and risk
- Risks at each time point of moving to another state (a, b, c)
- Patients move through time sum to get average life years (LYs)



Partitioned survival analysis

- Directly estimate overall survival for the cohort from OS curve
- Allocate into finite number of health states to adjust for costs and quality of life



Partitioned survival analysis

- Directly estimate overall survival for the cohort from OS curve
- Allocate into finite number of health states to adjust for costs and quality of life



Estimating average survival Proportion in health state over time



Estimating average survival Proportion in health state over time





Partitioned survival models use areas under the curves to determine time in health states



Comparing two treatments

 Difference between survival curves (proportions) for two treatments is the difference in survival time between treatments





Pros and cons of partitioned survival models

Pros

- Aligns with trial outcomes (PFS, OS data used directly)
- Recreates observed data well
- Closely capture small differences in survival, reflect incremental gains



When not all patients experience the event at the end of trial, need to estimate what happens at later time points





What does the guidance say?

CADTH METHODS AND GUIDELINES Guidelines for the Economic Evaluation of Health Technologies: Canada 4th Edition

Time-to-event (also referred to as survival) analysis using parametric models can be used to extrapolate from shorter-term parameter estimates to longer-term effects.⁶⁷ Systematic approaches to survival analysis based on individual-level data have been developed. These analyses should follow the Survival Model Selection Process Algorithm developed by the Decision Support Unit commissioned by the National Institute for Health and Care Excellence (NICE).⁶⁸



Extrapolating beyond observed data

- Survival analysis: Estimate the survival experience over time
- Parametric models: choose a distribution to represent different patterns for risk of event (and predict into future)

- Hazard - rate of event at t, conditional on surviving to t





Some shapes for hazard over time



Time



Some shapes for hazard over time



Time


Some shapes for hazard over time



Time



Some shapes for hazard over time



Time



Some common parametric distributions

Table 1 Summary of key properties of commonly used parametric survival distributions

	Exponential	Weibull	Gompertz	Log-Logistic	Log-Normal
Risk pattern	Constant hazard	Monotonically increasing $(\gamma > 1)$ or decreasing $(0 < \gamma < 1)$ hazard	Monotonically increasing $(\gamma > 1)$ or decreasing $(\gamma < 0)$ hazard	Monotonically decreasing when $\gamma \leq 1$, or increasing followed by a gradually decreasing hazard when $\gamma > 1$	Log of the event time has a normal distribution
Type: PH vs. AFT	PH or AFT	PH or AFT	PH	PO or AFT	AFT
Survival function: S(t) =	$\exp(-\lambda t)$	$\exp(-\lambda t^{\gamma})$	$\exp\left[\frac{-\exp(\lambda)(\exp(\gamma t)-1)}{\gamma}\right]$	$\frac{1}{1+\lambda r'}$	$1 - \phi\left(\frac{\log(t) - \lambda}{\gamma^{-1}}\right)$ where ϕ is the cumulative standard normal distribution

Choice related to: risk pattern (observed and beyond)

Ishak et al 2013



Different assumptions can produce very different estimates



Fig. 2 Illustrative survival data from a hypothetical clinical trial fitted using different parametric models



NICE DSU TECHNICAL SUPPORT DOCUMENT 14: SURVIVAL ANALYSIS FOR ECONOMIC EVALUATIONS ALONGSIDE CLINICAL TRIALS - EXTRAPOLATION WITH PATIENT-LEVEL DATA

REPORT BY THE DECISION SUPPORT UNIT

June 2011

(last updated March 2013)

Incomplete survival data:

Visual inspection
External data
Clinical validity
AIC
BIC
Log-cumulative hazard plots
Other suitable tests of internal and external validity
Consider duration of treatment effect

Nicholas Latimer

degree of censoring present. If very little extrapolation is required and there is little censoring, the fit to the observed data is of most importance. However, if substantial extrapolation is required, the plausibility of the extrapolated portion of alternative models is of greater importance than the fit to the observed data.

Need for estimates to be 'plausible' long-term – But no formal guidance for how to evaluate



Problem when extrapolation produces unrealistic survival benefits



Pros and cons of partitioned survival models

Pros

- Aligns with trial outcomes (PFS, OS data used directly)
- Recreates observed data well
- Closely capture small differences in survival, reflect incremental gains

Cons

- No structural relationship between states
 - Combining multiple risks into a single estimate
- Challenging to test external validity
 - Risk of highly implausible long-term extrapolations



Problem when model produces implausible added benefits after progression





At some point, risk pattern might change Treatment unlikely to reduce risk indefinitely

Could assume HR=1





Other distributions may be more plausible long term – Structural uncertainty from choice





Benefits of Markov models

- Control where risks differ and where treatment effects occur
 - New treatment can have lower risk of progression than comparator, but same risks of death as the comparator after progression



So what's the difference?

- Data needed (three risks vs. two curves)
- Assumptions needed (how risks change over time)



Do Markov models address concerns related to partitioned survival models?

- Markov models explicitly specify risks from each state
 - Account for changes in risk from progression
 - Can control where treatment effects occur and test alternatives
- But with different data and <u>assumptions</u>
 - Data for (C) not reported in trials Use external data, assume equal risks, often assuming no time-dependence for this probability
 - Implicit assumptions in extrapolations, difficult to assess external validity Risk of highly implausible long-term extrapolations



NICE DSU TECHNICAL SUPPORT DOCUMENT 19:

PARTITIONED SURVIVAL ANALYSIS FOR DECISION MODELLING IN

HEALTH CARE: A CRITICAL REVIEW

REPORT BY THE DECISION SUPPORT UNIT

2 June 2017

Beth Woods¹, Eleftherios Sideris¹, Stephen Palmer¹, Nick Latimer², Marta Soares¹

PharmacoEconomics DOI 10.1007/s40273-017-0583-4

CURRENT OPINION



Oncology Modeling for Fun and Profit! Key Steps for Busy Analysts in Health Technology Assessment

Jaclyn Beca¹ · Don Husereau^{2,3} · Kelvin K. W. Chan^{4,5} · Neil Hawkins⁶ · Jeffrey S. Hoch⁷





- Bevacizumab + capecitabine (new strategy) vs. capecitabine alone (comparator) for first line metastatic colorectal cancer
- Developed 3 state partitioned survival and 3 (also 4 and 5) state Markov model
- Fit parametric distributions to recreated trial survival data (AVEX)
 - PFS for both models and OS for partitioned survival
- Assumed same risk after progression regardless of initial treatment strategy for Markov transition probabilities



Survival curve fitting - PFS



Ontario Health KM data digitized using Engauge software from Cunningham et al 2013 Cancer Care Ontario

Validation of the Markov model - OS



Ontario Health KM data digitized using Engauge software from Cunningham et al 2013 Cancer Care Ontario

Partitioned survival analysis OS



Comparing incremental results

	Markov	Partitioned
Total Costs	\$53,902	\$53,209
PFS	\$54,115	\$54,115
Progressed	-\$213	-\$906
Total Life Years	0.313	0.216
PFS	0.343	0.343
Progressed	-0.030	-0.127
Total QALYs	0.245	0.186
PFS	0.263	0.263
Progressed	-0.018	-0.077
ICER \$ / LY	\$172,295	\$246,302
Gained		
ICER \$ / QALY (\$220,027	\$286,121
Gained		
Cancer Care Ontario		

- Difference between OS curves in the trial was smaller than that for PFS
 - PFS not perfect surrogate
- Markov assumptions did not include difference in risk after progression
- Sufficient OS data to extrapolate and produce plausible outcomes ***

Implications

- The two methods make different assumptions
 - How (or whether) risks change over time
 - Where treatment effects are applied
- Both uncertain when based on limited observed data
 - Benefits of undertaking multiple approaches
 - Additional methods may address some of these issues: Incorporating external data, flexible models, multi-state models, calibration
 - Ongoing research need
- Importance of assessing uncertainty, impact of assumptions
 - Understand possible outcomes (not necessarily "right" answer)



Summary and future directions

Where is the field going?

Continuously evolving techniques

- Concerns with partitioned survival models arise from application (justified when using implausible extrapolations from immature data)
- Better ways to extrapolate into the future, and best practice research
- Incorporating structural uncertainty
- Additional challenges
 - Basket trials (non-comparative + multiple cancers), curative therapies
 - Growing importance of estimates on policy
- Health technology management
 - Can deal with uncertainty, but at risk of kicking the can down the road
 - Conditional listing, reassessment, real world evidence



Ontario Health Cancer Care Ontario

www.cc-arcc.ca/canrevalue



To sum up

- Growing need in cancer
 - Higher incidence, prevalence
 - Lots of different cancers types and subtypes
 - Active pipeline of discovery, development
- Difficult decisions
 - Most systemic treatment benefits are incremental, non-curative
 - Very high cost
 - Patient impact



To sum up

- Multifaceted assessment
- Detailed expertise and input across the spectrum
 - Close clinical engagement given complexity of evidence and practice
- Pharmacoeconomics methods and expertise crucial to ensuring value for money
- Pharmacoeconomics Research Unit helps system incorporate economics into decision making
 - One role is to develop evidence needed to consider drugs for funding and ensure the evidence is useful: addresses decision problem, synthesizes all available evidence, and explores assumptions and uncertainties to provide the best evidence



To sum up

- Major challenges in oncology
 - Making relevant comparisons is increasing difficult as treatment landscapes become more complex and rapidly evolving
 - Data are becoming more limited with smaller evidence base, shorter follow up and residual uncertainties from immature data
 - Evolution in modelling techniques from emphasis on survival analysis and extrapolation; guidance still catching up

What is most relevant to the decision?

What impact do assumptions have on the results?

- Appreciation of and need for managing uncertainty
 - Technical techniques and guidance
 - Policy thoughtful planning, opportunity cost -> patient outcomes



Thank you

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