

Economic viability

1. Budgetary Impact

Opportunity costs from a decision makers' perspective are defined by the overall budgetary impact of funding a specific health technology. As a starting point of any economic evaluation, Swiss HTA Consensus therefore suggests using the results of budgetary impact analyses (actual and/or projected costs associated with the use of a technology, applying the scenario analysis technique including a conceivable range of unit prices, i.e., acquisition costs from the perspective of Swiss health insurance).

The aim of these analyses is to establish transparency on the short, medium, and long term consequences of a decision from the perspective of payers (including the compulsory health insurance, patients, and society as a whole).

Formal cost benefit evaluations (comparative health economic analyses of "[efficiency](#)") are considered most useful for [technologies](#) with a high budgetary impact, especially when there is reason to believe that social benefits conferred by their use are small or moderate only.

2. Technical and Allocative Efficiency

The evaluation of relative cost benefit ratios ("[efficiency](#)") should, for the time being, focus on issues of "technical efficiency", i.e., compare alternative ways to achieve the same clinical objective. Accordingly, the most appropriate evaluation method (cost minimization, cost effectiveness, cost utility analysis, etc., will depend on the specific research question. In other words, Swiss HTA Consensus recommends "methodological pluralism".

Swiss HTA Consensus recognizes that the pursuit of "allocative efficiency" – as defined by currently widely applied evaluation techniques (using either maximum individual [willingness-to-pay](#) or quality-adjusted life years ([QALYs](#)) as the measure of "value" or of individual "[utility](#)") – does imply a contentious normative dimension insofar as it is concerned with interpersonal comparisons. The results of such assessments can be positively unethical when examined against the prior normative commitment (as delineated earlier) and the social preferences of the Swiss population, and hence threaten the "external validity" of the HTA framework. Therefore, Swiss HTA Consensus rejects the idea of uniform cost per [QALY](#) benchmarks.

3. Setting Limits

This notwithstanding, Swiss HTA Consensus fully acknowledges the need for setting limits within the framework of the statutory health insurance system. For the time being, Swiss HTA Consensus proposes to decide on limits based upon comparative clinical effectiveness, evidence of added health-related benefits (including the degree of confidence in the available evidence, budgetary impact (or opportunity cost from a system's perspective), and technical efficiency.

4. Managing Uncertainty

Swiss HTA Consensus distinguishes between clinical and economic evidence that cannot be reasonably expected in a given context, and evidence gaps that might have been avoided. Evidence gaps create

uncertainty, which will be dealt with by means of modeling techniques and by managed entry schemes, including “[coverage with mandatory evidence development](#)” agreements and subsequent reviews of data. Thus, Swiss HTA Consensus offers strong dynamic incentives for technology providers to produce evidence.