

Fact Sheet: Streamlined cost-minimisation pathway



The HTA Review recommends a streamlined pathway for PBAC submissions taking a cost-minimisation approach, which will reduce time to access and free up resources for more complex submissions.

Currently, all PBAC submissions are subject to the same evaluation process, which takes 17 weeks regardless of the complexity of the submission.

HTA Review Recommendations 7 and 41 propose an accelerated evaluation for cost minimised submissions. This will involve:

- Developing eligibility criteria for a streamlined evaluation pathway.
- A shorter evaluation process with fast-tracking to pricing negotiation for eligible submissions after consideration by the PBAC or PBAC Executive.
- For submissions that don't meet the criteria, the opportunity to go to the main PBAC meeting without change, or to proceed to the next PBAC cycle to allow sponsors time to address issues raised during the streamlined evaluation.

In addition, Recommendation 7 proposes that industry examine the feasibility of allowing the effective price of the comparator to be revealed to second and subsequent sponsors earlier in the evaluation process.

Recommendation 41 proposes to investigate differentiating cost-minimisation submissions based on their proportionate benefit and relative cost to calibrate the methods and level of appraisal to the level of risk and clinical need/benefit of submissions.

The valuing and pricing recommendation (Recommendation 42) proposes the Government conduct research to understand if and where it may be reasonable for HTA advisory committees to accept higher prices for health technologies than currently accepted. This is intended to differentiate where the benefits associated with a cost-minimised submission are difficult to demonstrate and the additional value should be recognised, potentially with a price premium.

An effective streamlined pathway for cost-minimisation submissions will accelerate PBS listings, and appropriately divert resources to more complex submissions. Co-design of policies and methods affecting the listing of medicines taking a cost-minimisation approach is required.

Medicines Australia will advocate for rapid introduction of a streamlined pathway for cost-minimisation submissions and co-design of the process. Differentiation of cost-minimisation will recognise the value of incremental innovation.