# Clinical Evidence for Genomic Medicine Sustainability: State of Science and Gaps

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# Rising cost of healthcare, rising pressure to reduce spending



Produced by Veronique de Rugy, Mercatus Center at George Mason University.

http://mercatus.org/publication/us-health-care-spending-more-twice-average-developed-countries

# Technology and healthcare costs

- Much of the increase in healthcare costs is attributed to technology
- This perception, whether or not it is correct, is at least part of why 3<sup>rd</sup> party payers are so focused on evidence of utility and costeffectiveness
  - We need to meet them in that space
  - Genetics cannot be exempt from evidence of utility

### Difficult to change established practices

### **Costs Higher**

Value depends on the stakeholder

If costs are higher and outcomes are worse, we clearly should not use the technology If outcomes are better but costs are higher, then we want to use the technology, if we can afford it

#### Outcomes

#### worse

We might want to use the technology if costs are much lower, as long as outcomes are not too much worse Genomic medicine strives to improve outcomes and also decrease costs, but can we achieve it?

#### Outcomes better

*Very difficult to convince the public!* 

**Costs Lower** 

A real "no-brainer"

Modified from David Veenstra, IOM workshop presentation, July 17-18, 2012.

 We are so accustomed to the ubiquitous "cost per genome" graph that it seems obvious that genomic sequencing will be used widely in health care



- But we must address the cost/benefit:
  - Costs of interpretation (certainly not the \$1 million genome hyperbole, but more than \$0) and costs of downstream interventions (definitely not \$0)
  - What are the **net** outcomes and cost effectiveness of achieving those outcomes?

### **Evidence for Genomic Medicine**

- Depends on who you ask (Stakeholders)
  ... Their perspectives (Values)
  ... And how much certainty is required
- Implementation studies are necessary to understanding how to effectively utilize a new technology, *if it is proven to be useful*
- Sustainability depends on convincing third parties (healthcare systems, insurance providers, FDA) that genomics is effective

#### **Original Paper**

Public Health Genomics

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#### Stakeholder Perspectives on a Risk-Benefit Framework for Genetic Testing

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	High uncertainty	Moderate uncertainty	Low uncertainty
Favorable risk-benefit	Use with evidence development	Consider use in clinical practice	Appropriate for use in clinical practice
Neutral risk-benefit	Do not use, conduct additional research	Use with evidence development	Consider use in clinical practice
Unfavorable risk-benefit	Do not use, conduct additional research	Do not use	Do not use

### Which outcomes matter?

Ideally, direct health outcomes

- Mortality, morbidity, healthcare utilization

- For physicians, improved management might be a reasonable expectation
  - Allowing use of best clinical judgment for the individual patient with a rare disorder
- For patients/families, simply having a diagnosis may have value
  - Including understanding recurrence risk

Fryback and Thornbury Hierarchical Model – Initially proposed for evaluation of imaging tests



- Consider a patient with a clinical diagnosis of Cystic Fibrosis based on sweat chloride test
  - Is genetic testing needed?
  - If so, what test?
  - Should it be covered by insurance?

### **Technical Efficacy**

#### **Diagnostic Accuracy**

### **Diagnostic Thinking**

#### **Therapeutic Efficacy**

#### **Patient Outcome Efficacy**

#### **Societal Efficacy**

- Clinical genetic testing modalities (genotyping, sequencing) are generally quite accurate and reliable
- Establishing the disease-causing variants (eg. homozygous F508del) would not affect diagnostic thinking...
- However, if the specific molecular defect enabled decisions about therapy (eg. Lumacaftor/Ivacaftor), it would alter therapeutic efficacy...
- And possibly patient outcomes...
- And conceivably the cost of caring for CF patients.

- Is genetic testing needed?
  - Yes, to determine whether Lumacaftor/Ivacaftor is a possible therapy
- If so, what test?
  - Targeted genotyping? CFTR gene sequencing? Exome?
- Should it be covered by insurance?
  - It depends on the economics; the cost of the test / drug and the nature of the health outcomes
  - If outcomes are sufficiently improved (1/3 as many hospitalizations) and the costs are affordable (\$259,000 / yr)

- What about the reproductive implications?
  - Requires only that the test is analytically and clinically valid
  - There are no defined measures of "utility" in this context
    - Each family will have different uses for the information
- Each stakeholder will view this information differently
  - Making this a very difficult argument with payers

### Where are the gaps?

- Stakeholder engagement
  - Conducted with respect to a defined clinical scenario (patient population, test, indication)
  - Establish the value that different stakeholders (patients, providers, healthcare systems, payers) place on relevant outcomes
  - Understand the evidence that stakeholders need to make decisions about use and coverage of genetic tests

### Where are the gaps?

- Evidence generation
  - Studies designed with specific outcomes in mind, to provide evidence that directly addresses the requirements of stakeholders
  - Should not completely ignore other important scientific questions
    - Eg. how to deal with secondary findings
  - Genomic medicine researchers need to learn how to frame studies to convey results to different stakeholders

### Where are the gaps?

- Evidence synthesis
  - Just as we need databases of genes and variants (eg. ClinGen/ClinVar), we need systematic collection, curation, and evaluation of genomic studies
  - Designed in collaboration with stakeholders to structure information that facilitates their review
  - Publicly available and curated by experts
  - So that we have transparency in the evidence that stakeholders are looking for, and studies can be designed for maximal impact

### Take homes

- Technology and healthcare costs
- Stakeholders and what they value
- Context and outcomes matter
- Engage stakeholders to promote understanding and produce relevant evidence