

To: Ayanna Presley - The Massachusetts' Representative
From: Edima Ottoho, Maryam Al-Mujtaba, Gift Nwanne, and Samuel Onwubiko
(Avarynth Group)
Date: April 17th, 2023
Subject: HR 485 and the Use of QALYs for Pricing Negotiations

Dear Representative Presley,

I am writing to express my position on the use of quality-adjusted life years (QALYs) to inform pricing negotiations, particularly in light of the proposed legislation - Protecting Health Care for All Patients Act (HR 485), aiming to ban its use for state and federal healthcare programs.

While I understand the concerns behind this legislation, I believe that QALY has strengths that can benefit pricing negotiations. It is a standardized measure for comparing the value of different health interventions and aims to maximize benefits to society as a whole by measuring the incremental benefits of interventions. This helps identify which interventions are most valuable in improving population health. QALYs are used to calculate an intervention's incremental cost-effectiveness ratio (ICER), which helps to identify interventions that are most cost-effective in improving population health. This information is crucial in pricing decisions.

I acknowledge that QALY is not without its limitations. QALY as a measure may not favor certain marginalized groups, such as the elderly or people with disabilities, which can further perpetuate inequity. QALYs only capture the health-related quality of life; Other social factors that affect health are not taken into account. More so, not all disabilities impact the quality of life equally; some people with disabilities may live a relatively high quality of life despite their condition, and QALYs may not capture this nuance.

The potential ban has implications. Without QALYs, there may be no standardized approach to compare the value of different treatments, and pricing decisions could be made based on subjective (rather than objective) factors. This could result in higher prices for less effective treatments, and ultimately lead to decreased access to care for those who need it the most.

I suggest the use of multiple criteria to make informed decisions regarding this matter. A great tool for this is the Multi-Criteria Decision Analysis (MCDA). MCDA would allow policymakers to weigh different relevant factors, including QALYs, patient-reported outcomes, and the perspectives of different stakeholder groups (such as payers and providers) in a holistic and systematic manner while making decisions on pricing negotiations.

Thank you in anticipation of your kind consideration and action on this important matter.