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PhRMA Foundation Announces the 2019 Value Assessment Challenge Award Recipients

The Awards Support New Concepts that Help Define Innovative, Patient-Centered Approaches to Measuring Health Care Value

(June 25, 2019) The PhRMA Foundation announced today the winners of the 2019 Value Assessment Challenge Awards. Designed to encourage innovative approaches in defining and measuring value in health care, this year's awards focused on novel proposals to improve value assessment methods that move beyond the quality-adjusted life year (QALY).

"The PhRMA Foundation is delighted to recognize each of these outstanding proposals that demonstrate innovative, new approaches to advancing health care value assessment," said Eileen Cannon, PhRMA Foundation president.

A total of \$85,000 in funding will be awarded to the winning researchers who answered the question:

What are innovative, patient-centered approaches to contribute to health care value assessment that move beyond the inherent limitations of analyses based on the quality-adjusted life year (QALY) metric?

The 2019 Award recipients include:

First Place - \$50,000

Research Proposal: *Representativeness and Enhancing Equity through Patient-Engaged Healthcare Valuation*

Award Recipients: Lori Frank, PhD, RAND Corporation; Thomas W. Concannon, PhD, RAND Corporation

Drs. Frank and Concannon propose the Strategy for Patient-Engaged Healthcare Valuation to address the challenges of incorporating patient preferences into value assessment by employing multi-criteria decision analysis methods using patient-informed criteria derived through Goal Attainment Scaling (GAS).

Second Place - \$25,000

Research Proposal: *Expanding Use of Multi-Criteria Decision Analysis for Health Technology Assessment*

Award Recipient: Charles E. Phelps, PhD, University of Rochester

Dr. Phelps' paper discusses the advantages of using MCDA in the evaluation of healthcare technologies, barriers to expanded use, and the specific steps needed to increase ease of use. MCDA facilitates a relative ranking of treatment candidates by identification of treatment attributes, their relative importance, and performance along the attributes. His paper notes that though cost effectiveness analysis (CEA) is the *de facto* method of choice for assessing the value of these technologies, MCDA models present a promising opportunity to incorporate multiple dimensions of value into these assessments.

Third Place (tied) - \$5,000 each

Research Proposal: *A New Method to Incorporate Uncertainty into Healthcare Technology Evaluations*

Award Recipients: Darius N. Lakdawalla, PhD, University of Southern California; Charles E. Phelps, PhD, University of Rochester

Drs. Lakdawalla and Phelps propose a novel method of incorporating risk and uncertainty into assessments of healthcare technologies, including specifically measuring the value of reducing uncertainty ("the value of insurance") and the value of increasing the likelihood of positive outcomes ("the value of hope").

Research Proposal: *Using Patient Experience Data and Discrete Choice Experiment to Assess Values of Drugs*

Award Recipients: Surachat Ngorsuraches, PhD, Auburn University

Dr. Ngorsuraches proposes a Patient Experience Value Method that facilitates the incorporation of patient-derived attributes of value based on FDA protocol and discrete choice experiments and addresses heterogeneity of patient preferences by capturing and reporting the full distributions of patient values.

The Challenge Awards, first offered to researchers in 2017, are part of the PhRMA Foundation's multi-faceted Value Assessment Initiative, which supports a variety of research and innovation projects to support the shift to a value-based health care system.

Concern over rising U.S. health care costs in recent years has increased interest in measuring the value of health care among myriad stakeholders, and determining how to avoid low-value or inefficient care. In response, various efforts aimed at driving value in health care have emerged, but few have offered transformative and novel approaches that reflect patient preferences and real-world clinical practice.

Recipients of the PhRMA Foundation Challenge Awards will be acknowledged at an upcoming public forum where they will have an opportunity to present their winning papers. Award recipients will also

become part of the Value Assessment Research Network, which has been established to encourage collaboration and dissemination of findings that emerge from various projects the Foundation is supporting through its Value Assessment Initiative.

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About the PhRMA Foundation

For more than 50 years, the PhRMA Foundation has been helping to build a larger pool of highly-trained, top-quality scientists to meet the growing needs of scientific and academic institutions, government, and the research-intensive pharmaceutical industry. To advance this mission, the PhRMA Foundation has awarded more than \$90 million in competitive research fellowships and grants since its founding. The Foundation's emphasis on evidence-based research that determines the true value of medicines is supported by its Value Assessment Initiative. To date, the Foundation has awarded more than \$2.8 million to support a variety of research projects to help advance this goal, including the establishment of four national Centers of Excellence in Value Assessment.

To learn more, please visit www.phrmafoundation.org