

# Testimony of a failed reimbursement change: why it went wrong

## Device implantation in Sweden

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# Health care organization in Sweden



- **Ca: 10 000 000 inhabitants**
- **Public health care**
- **20 county councils**
- **Health care expenditure 9.6% of GDP**
- **2.7 hospital beds per 1000**
- **Cardiology outpatient clinics largely linked to hospitals**
- **Large GP centers**

# Device implantation: precondition in Sweden

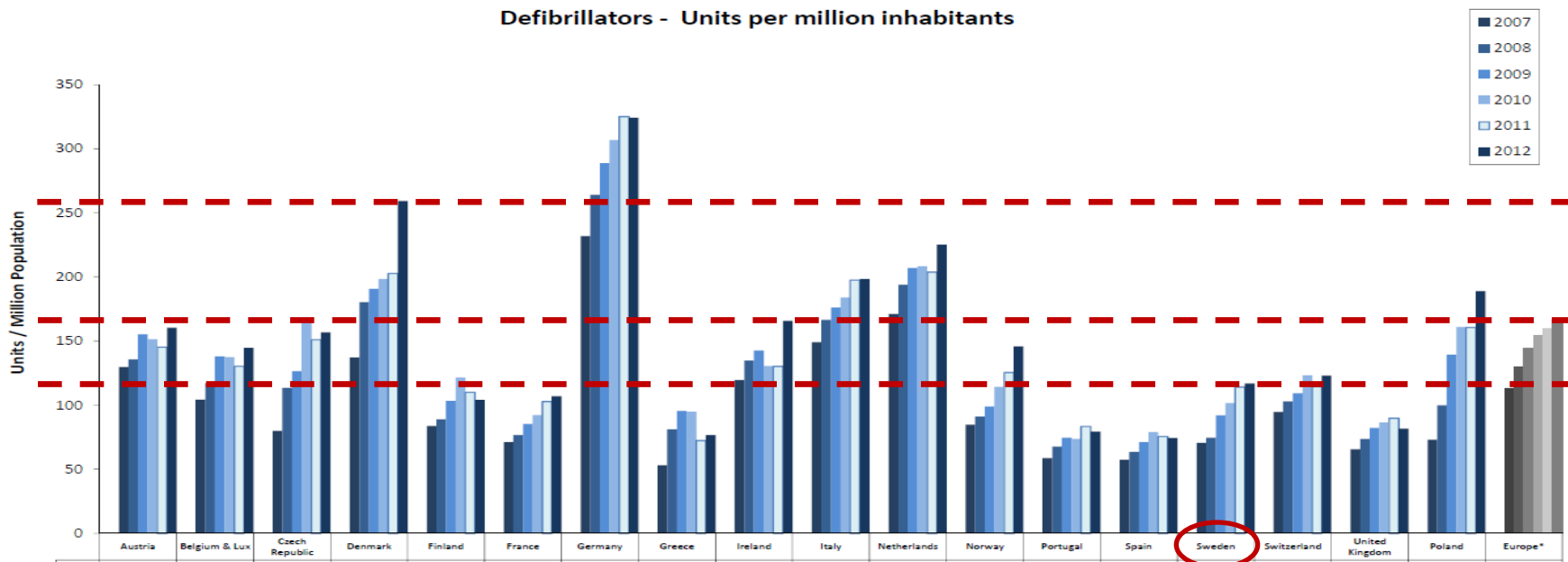
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- Proud history in pacing
- Active research on devices in HF
- Rich country
- High tech nation
- High standards and quality in health care
- Implanting centers:
  - Pacemaker: 44 (4/mio; Europe 3.9/mio)
  - ICD: 30 (3/mio; Europe 2.4/mio)
  - CRT: 25 (2.5/mio; Europe 1.7/mio)



# ICD implantation in Europe 2007-2012

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Eucomed 2014

[www.escardio.org/EHRA](http://www.escardio.org/EHRA)



# National guidelines 2015 (Swedish board of health and welfare)

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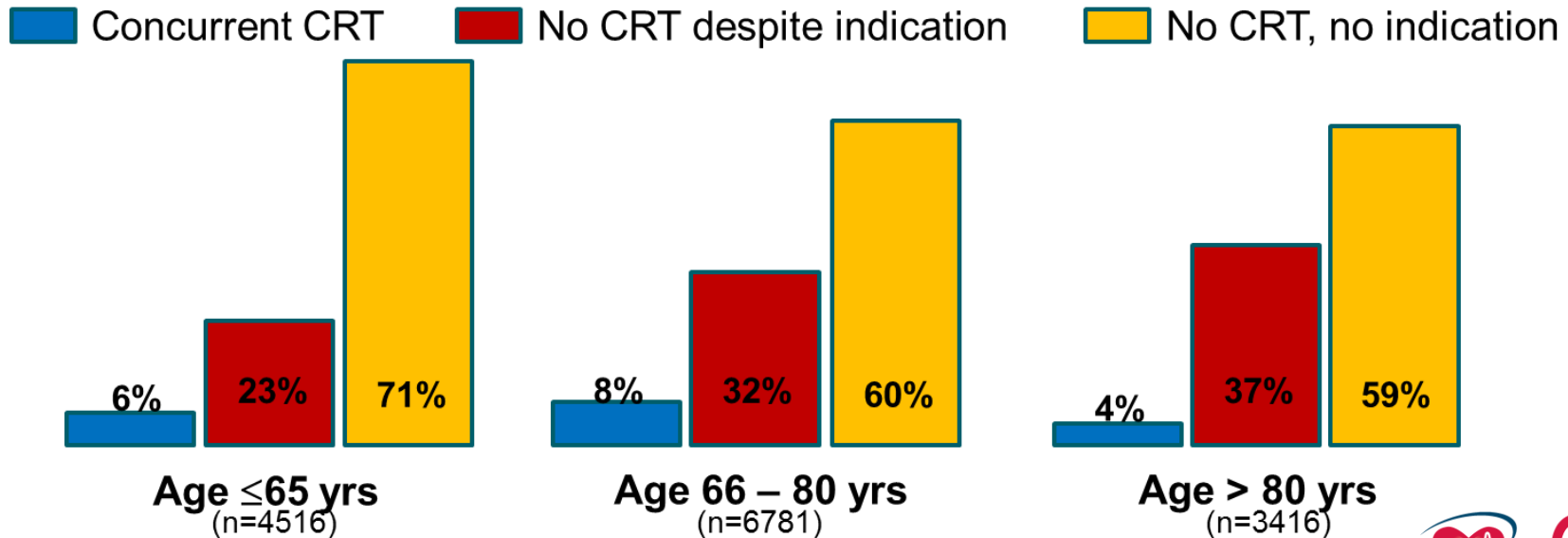
**Priority: 1-10**  
**Do not**  
**Further research encouraged**

**CRT: HF, NYHA III-IV, LVEF  $\leq$ 35%, LBBB, SR**  
**ICD: Primary prophylactic indication (IHD)**

**prio 1**  
**prio 2**

# CRT utilization in Sweden

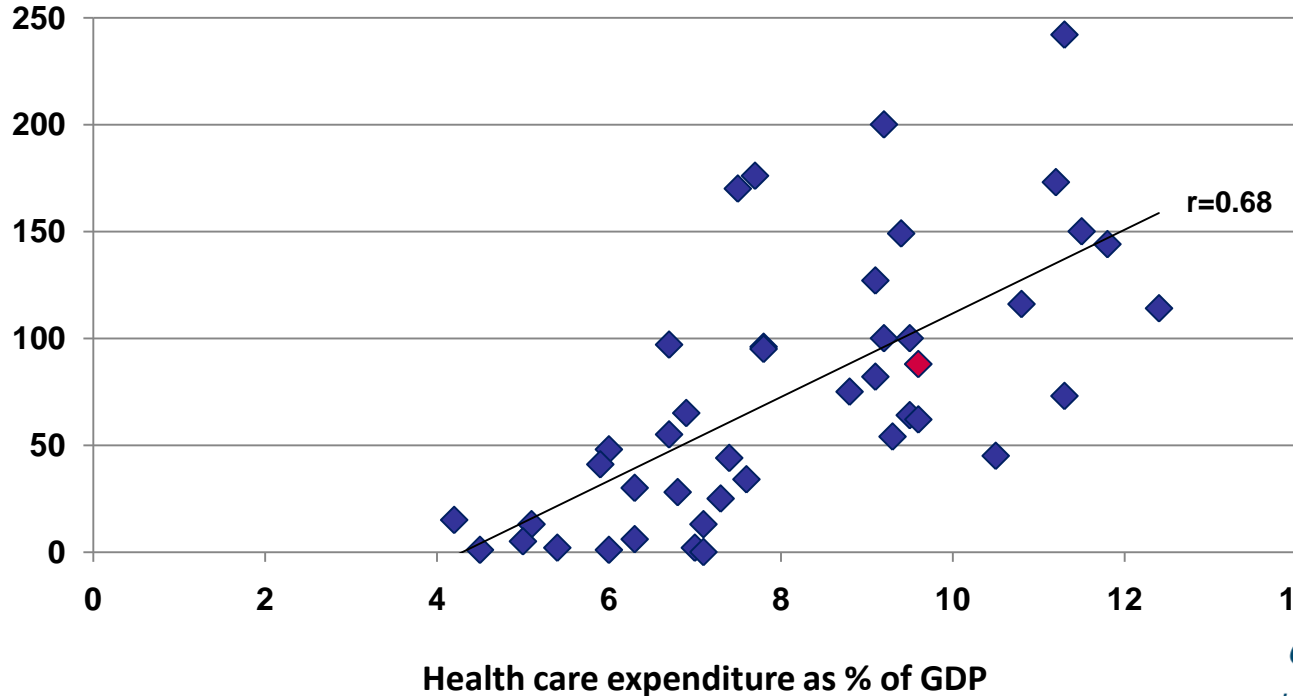
Swedish HF register, RiksSvikt (n=14.713)  
CRT indication based on ESC 2013 guidelines



# CRT in EHRA countries

## CRT implantation in relation to health care expenditure

CRT implant  
per mio (2014)



# Crash course in Swedish health economics

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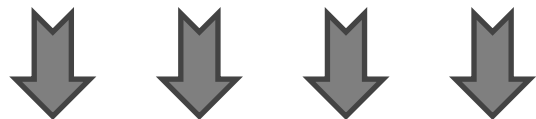
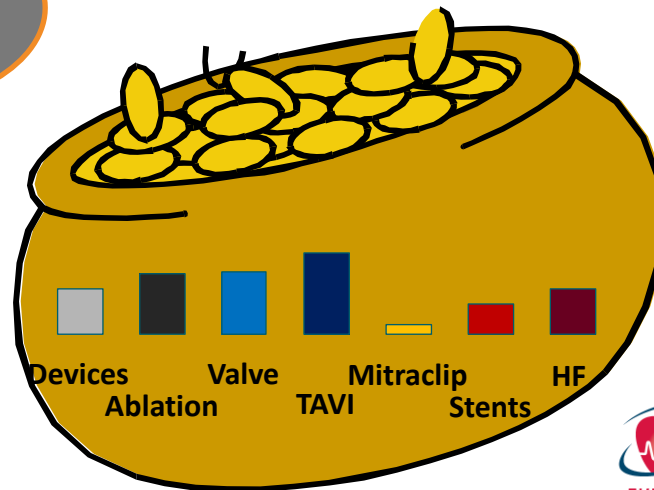
**KAROLINSKA**  
*Universitetssjukhuset*

- Cancer
- Pediatrics
- Trauma
- etc



**Budget: Heart and Vascular**

“No revenue -  
only costs...”



Hospital A   Hospital B   Hospital C   Primary Care

etc

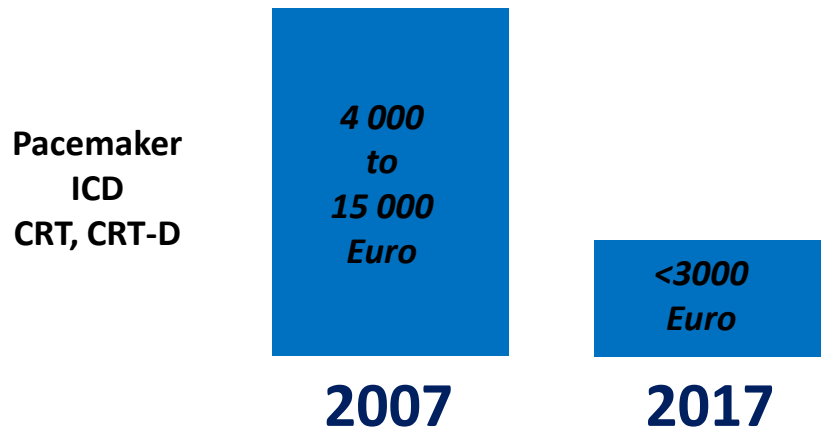


# Low device implantation in Sweden: possibly linked to high cost and budget limits

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## → Action plan:

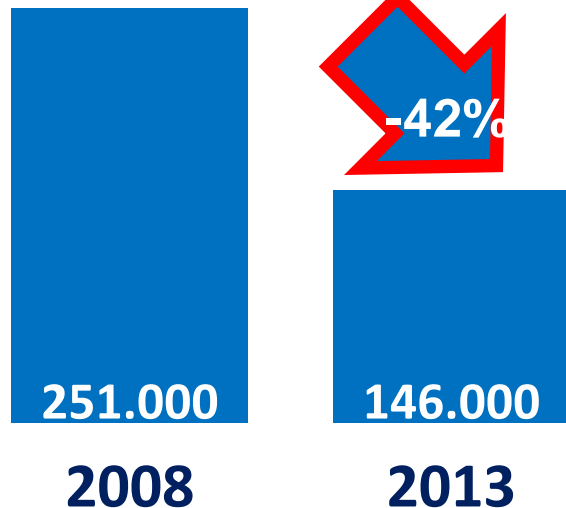
- increase device implantation by reducing costs
- establish lowest device costs in Europe
- countywise tender



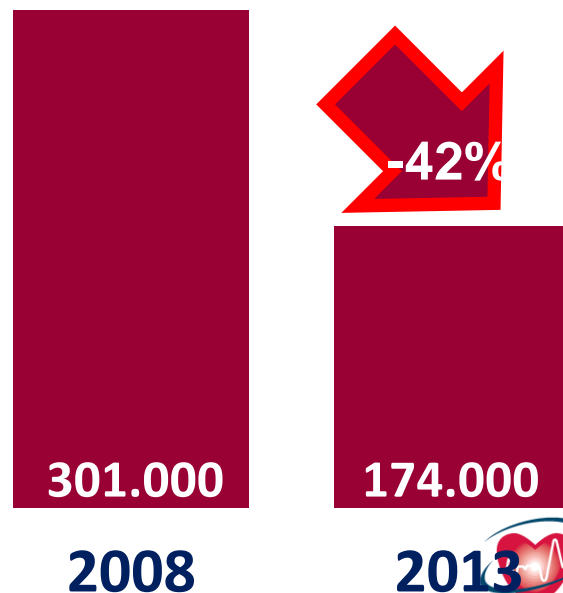
# ICD cost effectiveness in Sweden

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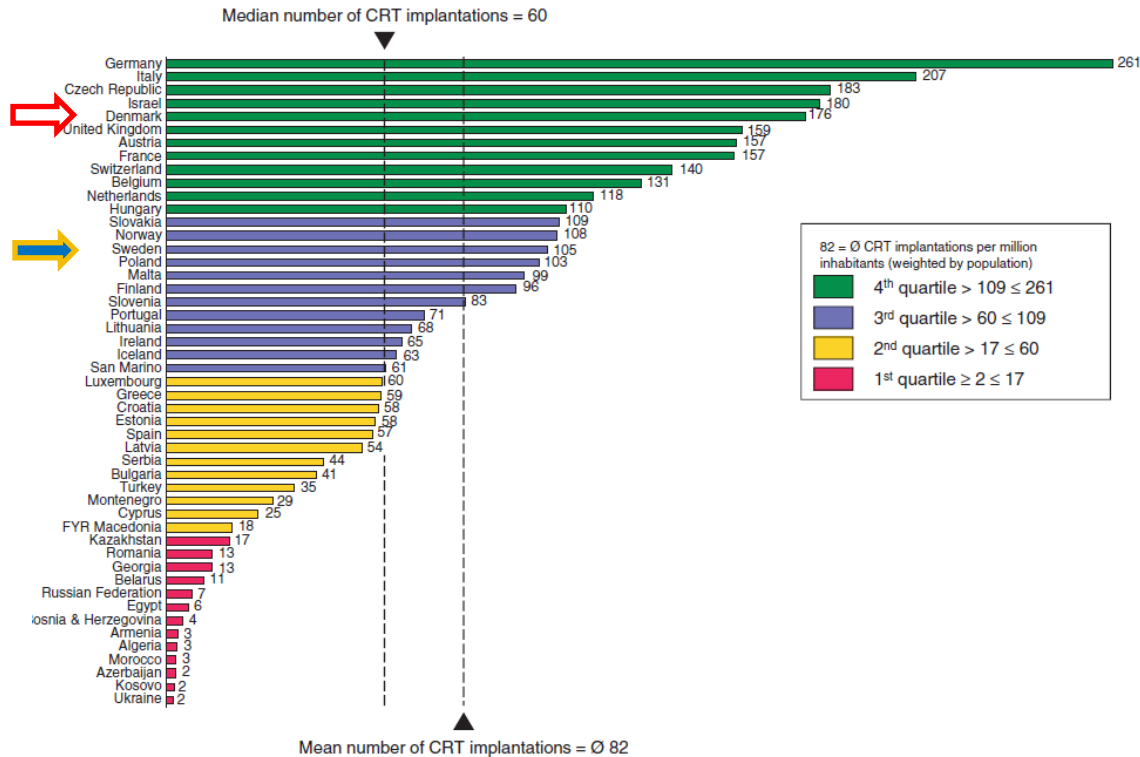
Cost per Life year gained  
[Swedish Crowns]



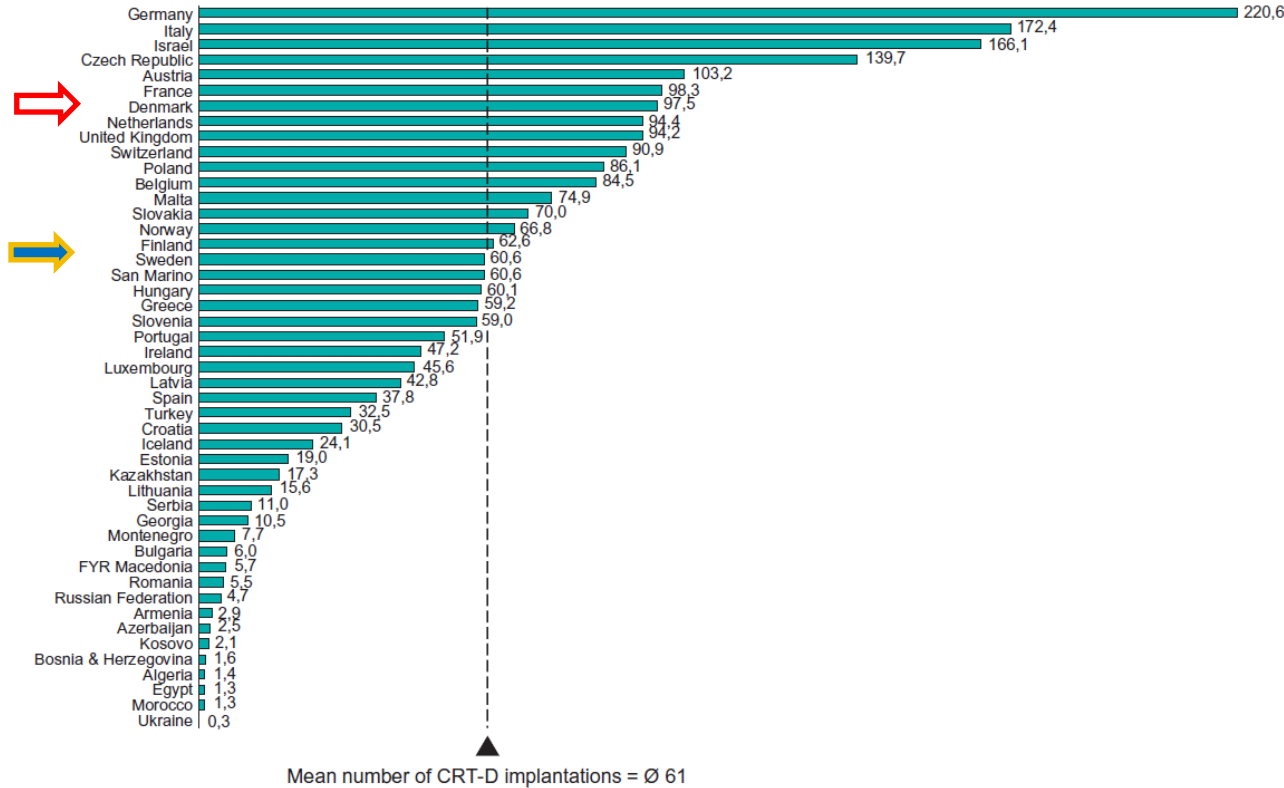
Cost per QALY  
[Swedish Crowns]



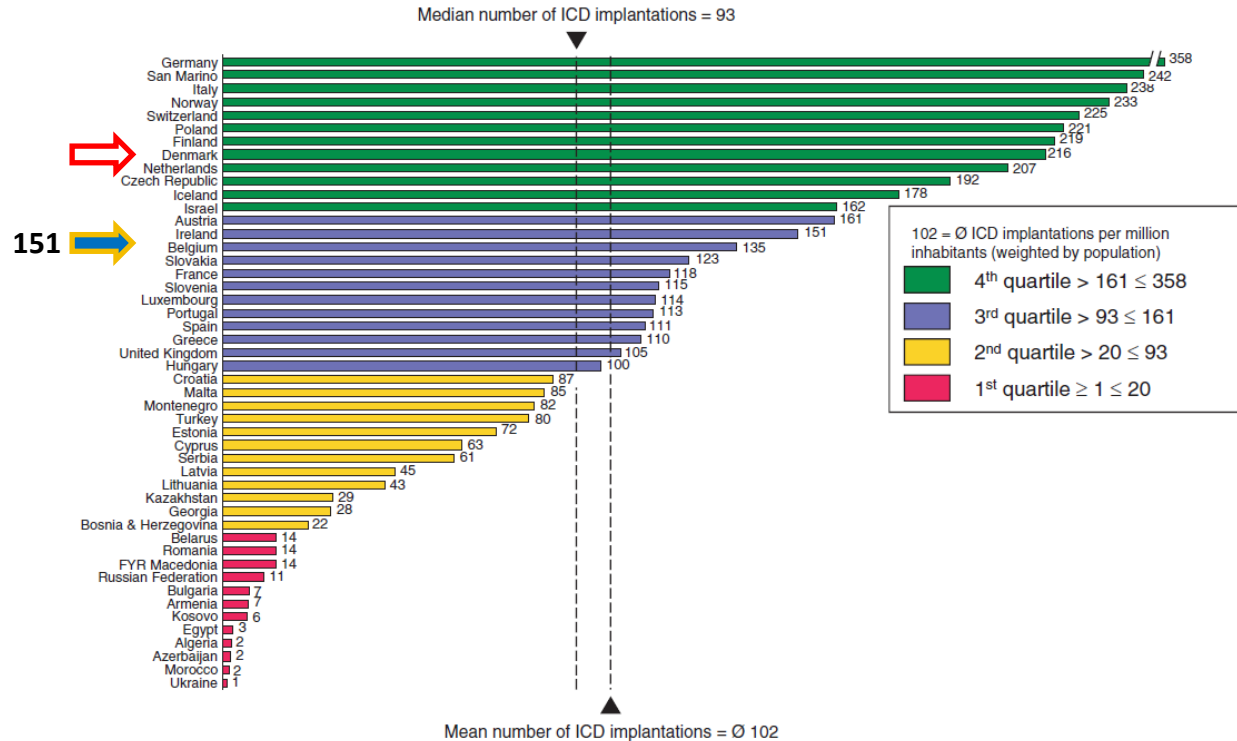
# Device implantation in Sweden: CRT



# Device implantation in Sweden: CRT-D

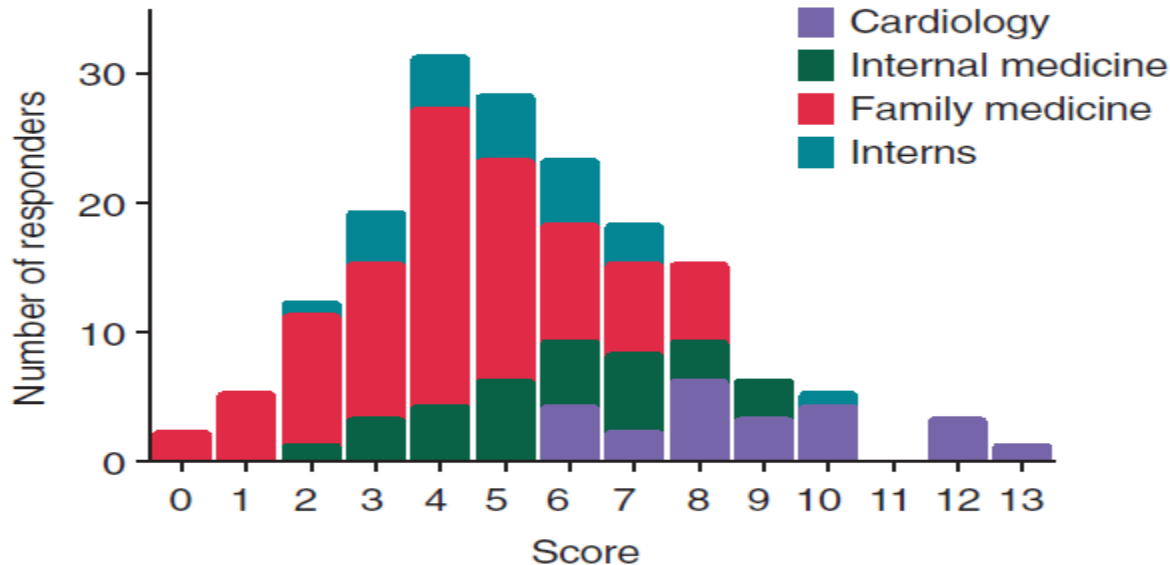


# Device implantation in Sweden: ICD

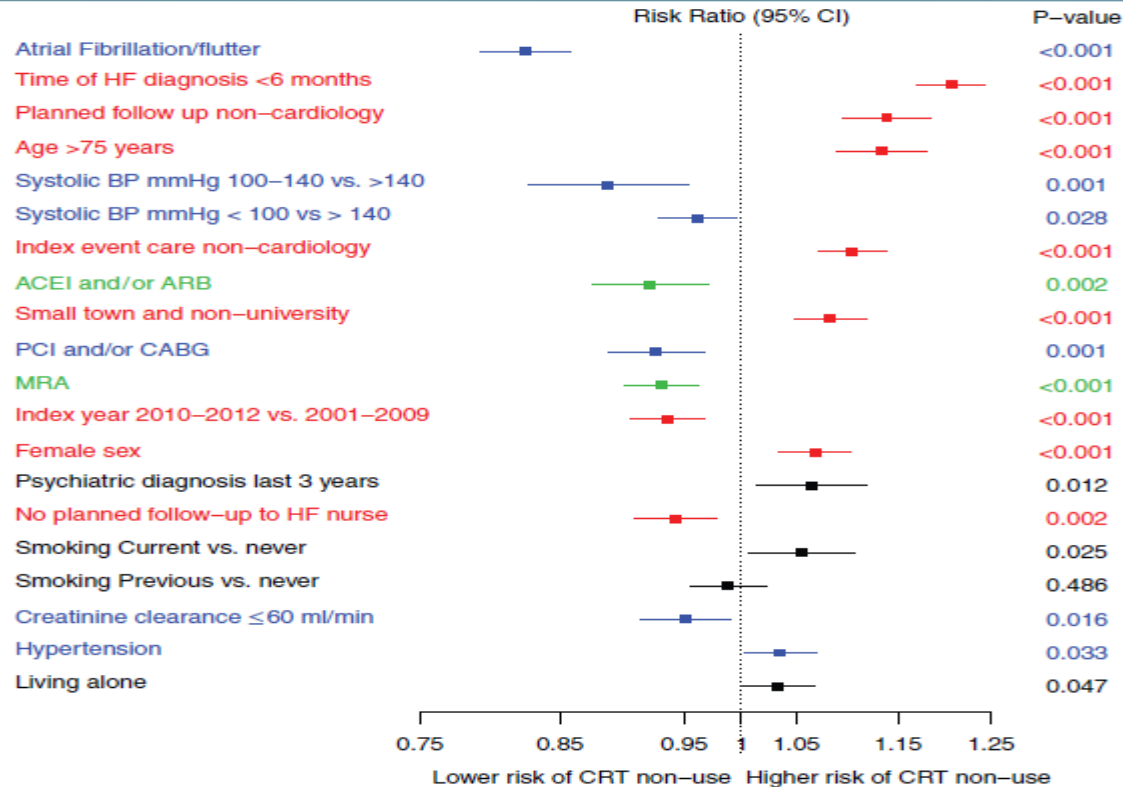


# Reasons for device under-utilization

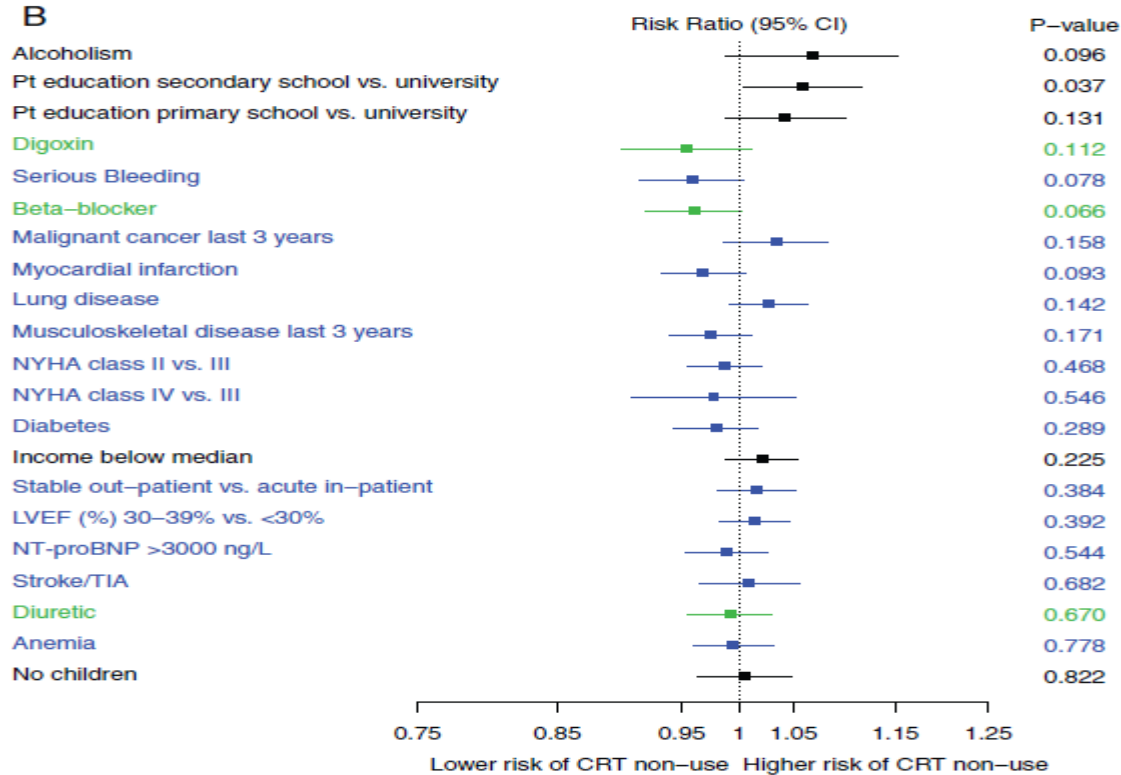
## Unawareness, lack of knowledge



# Reasons for device under-utilization



# Reasons for device under-utilization





# The cost of low cost devices

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- **Service by Industry**↓
- **Education**↓
  - Information to physicians and the public
  - Education of physicians about selection, implantation, follow-up
  - Device programming
- **Research, sponsoring**↓
  - New indications
  - Revised indications
- **Innovation**↓
  - New devices
  - New features and algorithms
- **No appropriate reimbursement of remote monitoring**

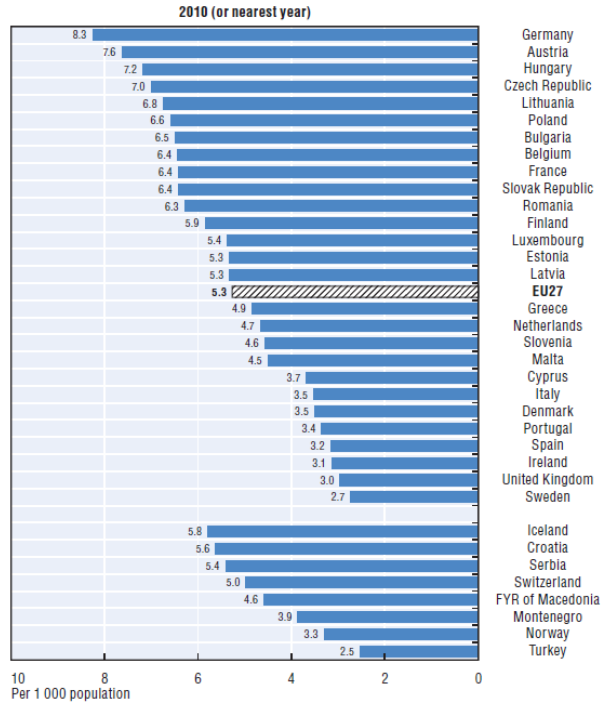
# Reimbursement change: lowest device costs

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- **In the public health cares setting of Sweden significant lowering of device costs had no dramatic effect on implantation rates**
- **Other factors more important for under-utilization**
  - Education
  - Access to specialized care
- **Other reimbursement models?**
  - Upfront reimbursement model still a handicap??
  - “Value based care”
- **Better networking EP/HF/GP required**
- **Informed patients**
- **“Get what you pay for”**
  - Fewer devices, worse outcome
  - Lower breaking point for reimbursement?
  - Service and education also needs to be funded...

- **Thank you**

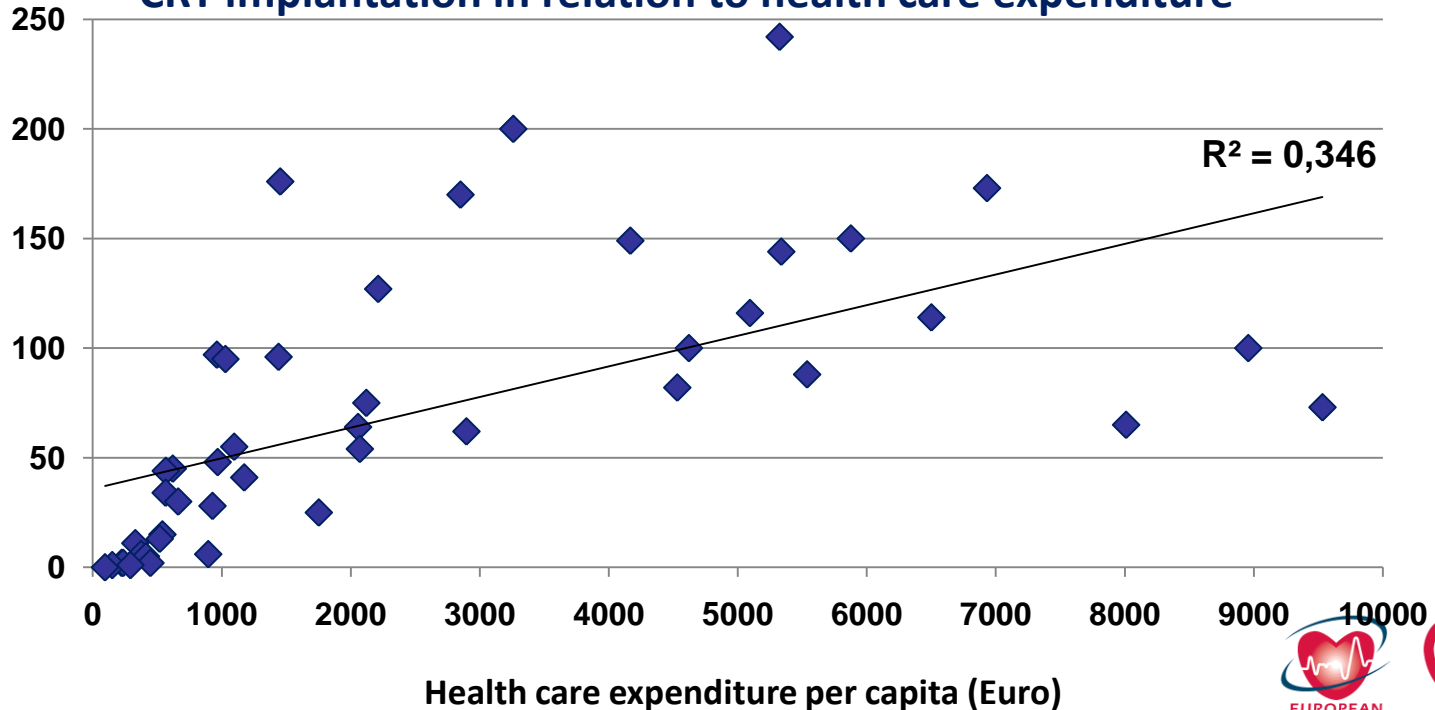
## Hospital beds per 1 000 population, 2010



# CRT (all) in EHRA countries

## CRT implantation in relation to health care expenditure

CRT implant  
per mio (2014)



$R^2 = 0,346$