

Wiser Healthcare and Sydney School of Public Health, Faculty of Medicine and Health

21 February 2024

Thank you for the opportunity to comment on the Health Technology Assessment Policy and Methods Review Consultation 2 Options Paper.

Context and background

We note that including environmental impacts in HTA, starting with carbon (green house gas) emissions, **is an urgent priority for reform** in Australia and internationally. Reform is particularly salient in **Australia, which is on the front line of health impacts and damages due to climate change.**

General comments


1. The HTA review is an opportunity for major reform. It is timely that the **frame for all reimbursement decisions be expanded to health outcomes, financial impacts and environmental impacts**. HTA has long done the first two, now is the moment to expand the field of view. This approach aligns clearly with the business community and NGOs which have adopted **ESG** - Environmental, Social and Corporate Governance.
2. **Healthcare, including in Australia, has a very large carbon footprint**. Carbon emissions of Australia's healthcare system are about half that of the entire construction sector. (1) These emissions contribute to climate change, with consequent health and economic damages to Australians. Responsibility for cutting healthcare carbon emissions must rest with the Department of Health and Aged Care, and must not be seen as solely the responsibility of other sections of the Australian government.
3. Carbon emissions information provided by HTA applicants will be of **direct use to clinicians in clinical decisions**, as well as helping to inform reimbursement decisions. The information is **analogous to the results of clinical trials** which provide added value to clinicians, as well as supporting HTA. Research shows that clinicians are keen to have data about carbon emissions of healthcare products, alongside information on clinical effectiveness, safety and costs. To provide an example, there are two broad categories of respiratory inhalers – one with a large carbon footprint (metered dose inhalers) and one with a much smaller footprint (dry powder inhalers). Clinical trials and environmental (Life Cycle Assessment, LCA) studies have demonstrated clinical equivalence and a much smaller footprint for dry powder inhalers. This information can support evidence informed subsidies AND is already providing useful information for clinicians, who are now starting to change their prescribing patterns based on this evidence. (2)
4. Healthcare decarbonisation is **desired by consumer groups**. *Health Care Consumers Association ACT, Health Care Consumers QLD, and Health Consumers NSW have all expressed*

a vision and desire to decarbonise healthcare e.g. *Health Care Consumers Association ACT* HCCA identifies climate change as a 2023-2024 priority.

Comments on specific sections of the options paper:

5. **Section 2** (HTA **funding** and assessment pathways) re Funding. Business as usual carries a **risk** to government that the public funds deployed (via PBAC or MSAC) following a positive HTA outcome may be used (and be seen to be used) to **reimburse/subsidize products that add to healthcare's carbon footprint, worsen global warming and climate change, and cause health and economic damages to Australians.**
6. **Section 2** (HTA funding and **assessment** pathways), WRT the proposal to calibrate level of appraisal required to the level of risk, the **definition of risk** should be expanded from 'uncertainty and potential financial impact' to '**uncertainty, potential financial impact and potential environmental impact**'
7. **Section 3** Methods – WRT the assessment of value for money - **environmental impacts can and should be included in CEA**, starting with carbon or GHG emissions.
8. **Section 5.3** Environmental considerations. We **strongly support and endorse the proposals described in Section 5.3 Environmental Considerations in HTA.** There is much work to be done to reform HTA in this direction. We urge the committee to recommend that **options 1-6, described in Section 5.3, be commenced without delay.** A requirement for this evidence as part of future HTA applications will provide significant motivation for companies and other sponsors to begin planning to collect data for LCA studies which will be of value to clinicians, consumers and the Australian population.

Yours sincerely,



On behalf of

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- (1) Malik A, Lenzen M, McAlister S, McGain F. The carbon footprint of Australian health care. *Lancet Planetary Health* 2018;2(1):e27-e35.
- (2) Woodcock A, Janson C, Rees J et al. Effects of switching from a metered dose inhaler to a dry powder inhaler on climate emissions and asthma control: post-hoc analysis. *Thorax* 2022 doi.org/10.1136/thoraxjnl-2021-218088