

# Understanding the Opportunity Cost, Seizing the Opportunity: Key Takeaways for Evidence-Informed Universal Health Coverage

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## WHO GUIDELINES GREATLY INFLUENCE GLOBAL HEALTHCARE EXPENDITURE

The World Health Organization (WHO) routinely develops and issues guidelines on how best to prevent, diagnose, and treat particular medical conditions. The guidelines are developed through a process determined by the WHO Guidelines Review Committee—a key part of which involves systematic evidence appraisal using the GRADE<sup>1</sup> approach. This approach is designed to compare the clinical efficacy of different health interventions, with the guidelines process then leading to interventions being “recommended,” “conditionally recommended,” or “not recommended” for adoption.

These guidelines are designed to be used across the world—for countries with widely differing health bud-

gets, epidemiologies, and social preferences. They are particularly influential in low- and middle-income countries (LMICs), which may have limited independent capacity to evaluate evidence, critically adapt WHO guidelines, and issue locally appropriate guidelines. In addition, compliance with WHO recommendations is often perceived as important for countries seeking international development assistance for health, creating a strong incentive for their uptake.

Often, uptake of WHO guidance has direct implications for a country’s healthcare budget. For example, guidelines may recommend a more expensive health product, a longer duration of treatment, or a universal versus targeted intervention. Their influence on budgets, combined with their widespread adoption in LMICs, means that WHO guidelines have far-reaching impacts on health resource allocation across the globe.

1 Grading of Recommendations Assessment, Development and Evaluation

## But global directives fail to account for local budgets and contexts—distorting resource allocation and creating missed opportunities to improve health

Health systems face many competing demands for scarce funding. They must pay for acute and chronic care; treatment and preventative services; and the drugs, equipment, skilled health personnel, facilities, and other inputs to support healthcare delivery. Inevitably, needs exceed means. Important choices must therefore be made between disease control priorities, delivery strategies, health systems strengthening activities, and other investments.

Guidelines can greatly influence this process of priority setting, particularly in LMICs. Therefore, it is vital that guideline recommendations lead to a net increase to health—that is, that the health benefit of their adoption exceeds the potential health gain offered by other competing uses of the same scarce funds. To do so, considerations about comparative clinical efficacy must be coupled with consideration of resource implications—ensuring that the government can effectively and equitably provide the best possible care for its entire citizenry from within its limited means. Economic analysis and modelling can help inform resource allocation decisions by providing evidence about the comparative costs and health benefits of different interventions in local contexts, helping policymakers optimize a portfolio of health services within local budget constraints. Without due consideration of economic evidence, policymakers may end up adopting interventions that actually *detract* from overall population health—that is, interventions that are effective for an individual patient or group without considering the other potential uses of scarce funds, thereby denying more cost-effective care to others in the population.

Yet at present, economic evidence plays a limited and largely ad hoc role in the development and interpretation of international guidelines. The WHO lacks a formal process to assess and consider economic evidence within the guideline development process, though there is increasing recognition of its importance. In theory, countries are expected to set up their own systems for considering if and how to adopt WHO guidelines, but there is limited advice on how this should be done. In practice, guidelines are mostly written as “one size fits

all” documents and applied across settings with vastly different economic, epidemiological, and cultural profiles.

## A WINDOW OF OPPORTUNITY FOR COUNTRY-LED, EVIDENCE-BASED RESOURCE ALLOCATION

The Working Group on Incorporating Economics and Modelling in Global Health Goals and Guidelines, co-convened by the Center for Global Development, Thanzi la Onse, and The HIV Modelling Consortium and chaired by Paul Revill and Amanda Glassman, issued recommendations to promote better use of economic evidence under two objectives: first, to empower countries to develop and analyze appropriate evidence to set health priorities for their populations; and second, to strengthen the WHO guidelines program to increase its value and relevance for national decision makers.

### Recommendation 1: Empower national governments to set evidence-based local health priorities for their populations

National and subnational governments—accountable to their citizens—are best placed to define health strategies and priorities that are responsive to local contexts and values. Yet local decision makers are not always equipped with the necessary evidence, skills, or authorities to critically evaluate and optimize among competing uses of scarce funds.

International agencies play a key role in empowering local decision makers to set locally relevant, evidence-based priorities, accounting for local resource constraints. Here are three first steps:

1. At the most foundational level, international agencies should **recognize that decisions around whether a country should adopt or fund any given health interventions should be made at the national level or lower** by decision makers who represent their citizens. These decisions should be based on standardized processes and grounded in local evidence on the efficacy and health impact of a given intervention per dollar spent.
2. International agencies should **increase investments**

**in local analytical capacity.** Technical support and funding for locally led research activities can increase the generation and use of country-specific evidence.

3. International agencies should **promote cross-country and interregional collaboration** through regional bodies, individual partnerships, and other avenues. This allows countries to learn from and build on relevant work conducted by other agencies in the area, saving valuable time and resources.

### **Recommendation 2: Increase the value and local relevance of WHO guidelines**

The current WHO guideline development process builds on clinical evidence that examines treatment effectiveness in the context of one disease or one patient group and incorporates economic considerations only on an ad hoc basis. Economic modelling and analysis can compare the health impact per dollar of a specific disease intervention against other health spending priorities; this type of evidence is essential to inform the allocation of scarce resource, but its use is not yet consistently incorporated within the WHO's guideline development process.

The WHO should develop a standardized process to routinely consider economic factors either *within* or *alongside* WHO clinical and public health guidelines to increase the value of these recommendations in local contexts. Key considerations include:

1. **When guidelines are meant to directly inform how resources are allocated, economic evidence should**

**be considered *within* the WHO guideline process.** Where locally relevant economic factors are not considered within a guideline itself, the WHO should suggest how the evidence in the guideline can be used as part of other local decision-making processes (such as nationally led health technology assessment).

2. For some guidelines, rigorous economic modelling may not be feasible. The **extent to which economic frameworks are used should always be tailored to specific guidelines** in line with available data and relevance of economic analysis.
3. Drawing upon expert advice, the **WHO should establish clear and robust principles, methods, and standards for economic evidence** to reliably inform resource allocation decision-making. To ensure their reliability, all economic models and analyses used in guideline development should be subjected to independent peer review.
4. Funding institutions and stakeholders should **increase financial resources dedicated to the generation and use of economic evidence** to inform resource allocation.

More information on WHO guidelines and these recommendations can be found in *Understanding the Opportunity Cost, Seizing the Opportunity: Report of the Working Group on Incorporating Economics and Modelling in Global Health Goals and Guidelines*, available at [www.cgdev.org/goals-and-guidelines](http://www.cgdev.org/goals-and-guidelines).

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