

Greening HTA?

Do we need to rethink our approach to
value in the Anthropocene?

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Greening HTA? Presentation overview

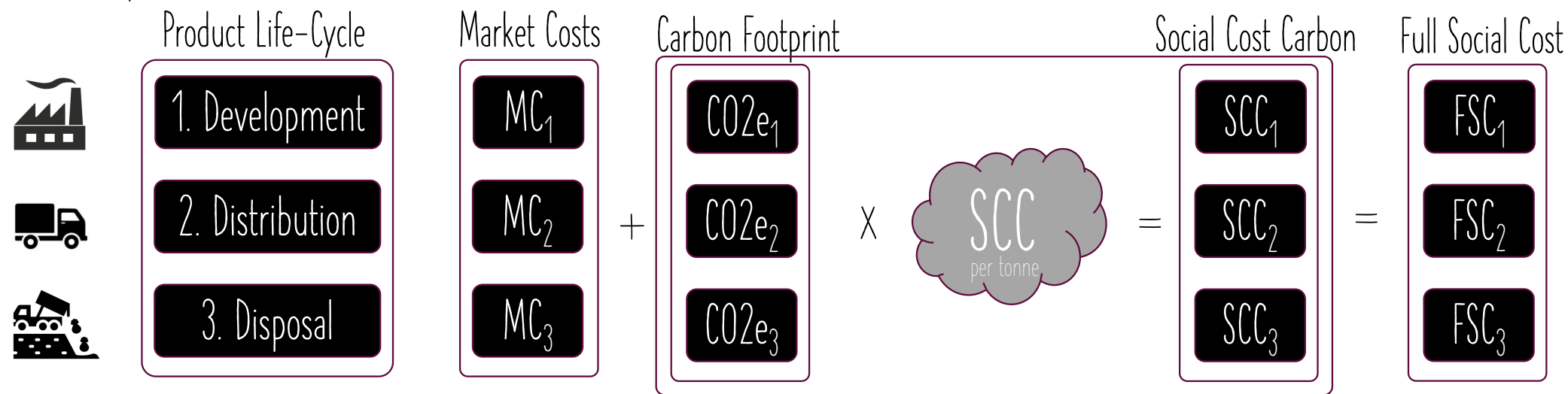
- Climate change: textbook example of a negative externality in economics
- Textbook solution: internalise the externality but should this be *ex ante* or *ex post*?
- What does this mean for HTA and the move toward 'greening HTA'?
- Things that will be helpful generally
- Things that are generally unhelpful

Climate Change: textbook externality

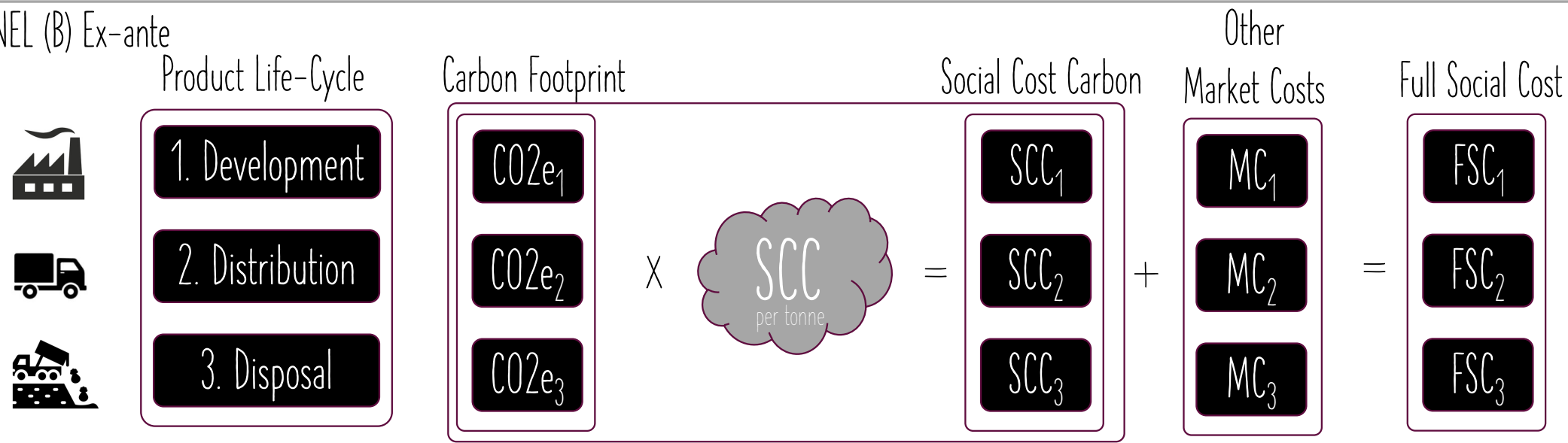
- An externality occurs when the actions of individuals or firms have side effects on third parties that are not reflected in market prices.
- These can be positive (e.g. vaccinations) or negative (e.g. pollution).
- **GHG emissions** cause: rising temperatures; extreme weather; biodiversity loss; health impacts; rising sea levels
- But these **costs are not borne by the emitter**, nor priced into goods or services.
- Result: **Market failure** – overproduction of emissions and underinvestment in clean alternatives.

Internalise the externality: textbook solution

PANEL (A) Ex-post

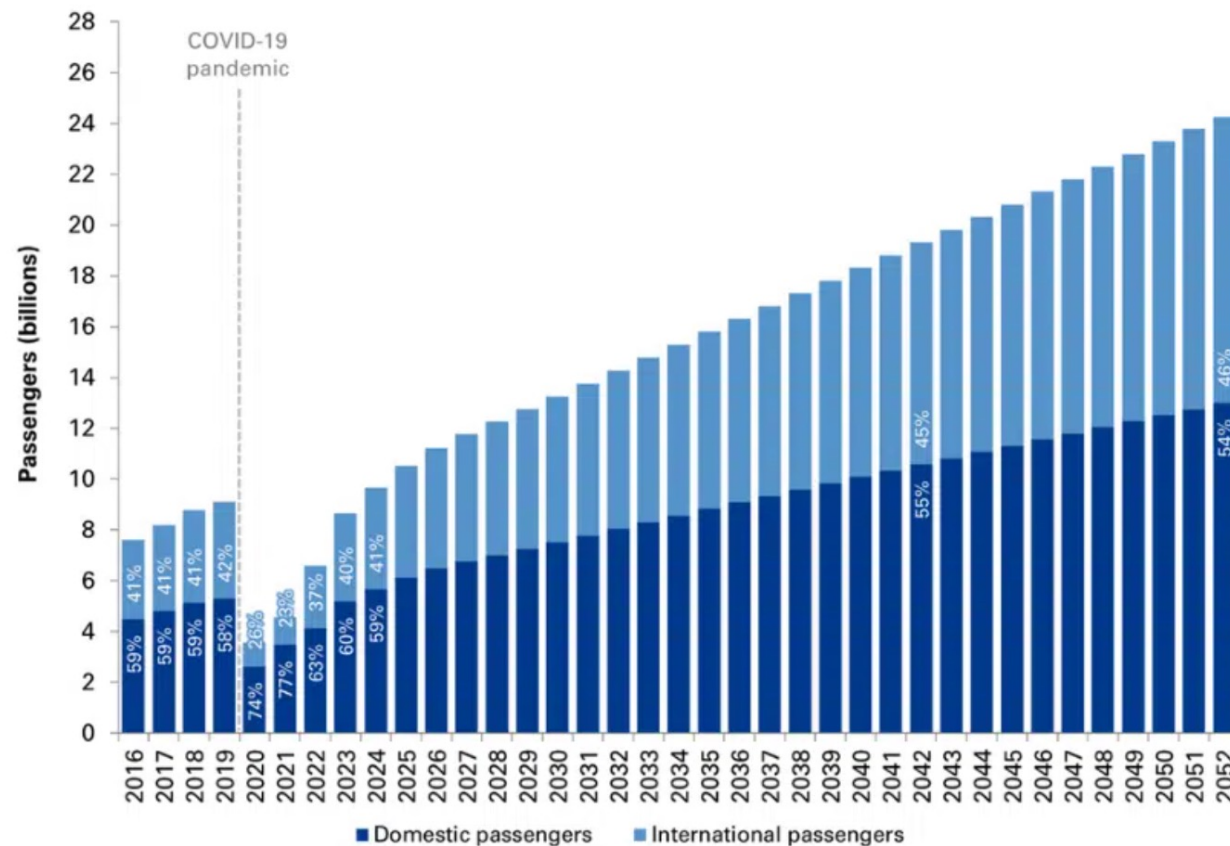


PANEL (B) Ex-ante

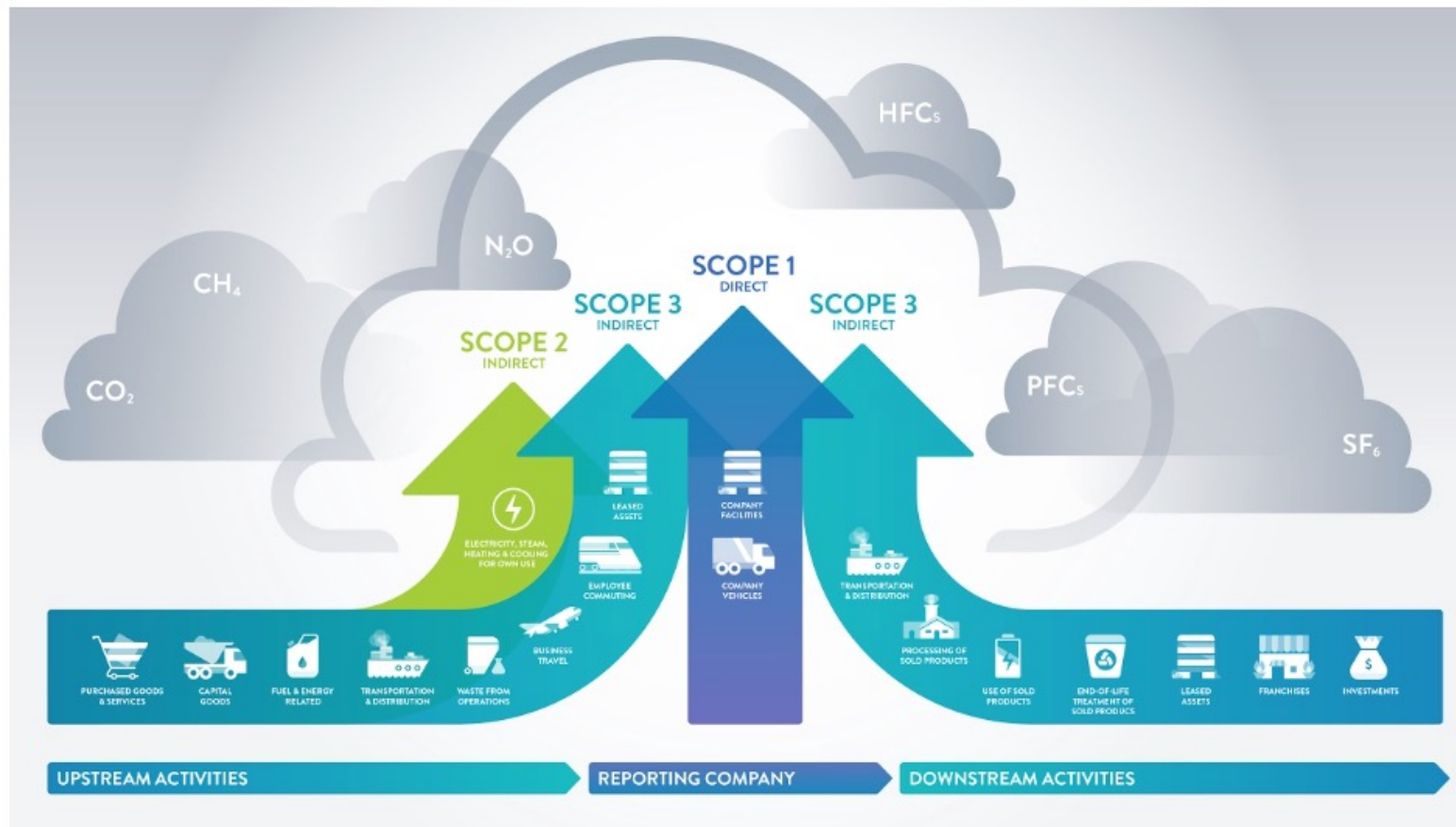


The aviation industry (2.5% global GHG emissions)

Long-term international and domestic passenger traffic (2016–2052)

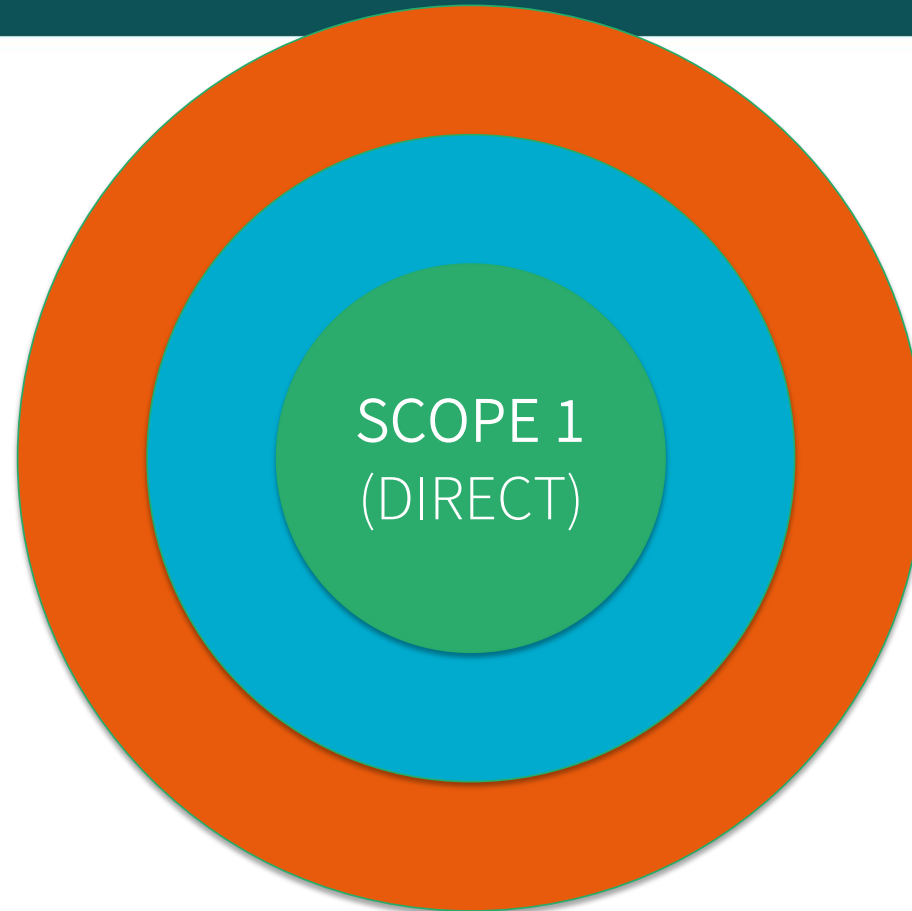


Three Scopes of GHG Emissions



Three Scopes for HTA?

SCOPE 2
(INDIRECT)



SCOPE 3
(INDIRECT)

Things that will help generally

- Better estimates of the SCC
- Level playing field intersectorally
- Discount rates that don't undervalue the next generation
- Equity analyses that recognize the burden of climate change
 - Geographically
 - Intergenerationally
- Reframing SCC as health benefits forgone



Rennert, K., Errickson, F., Prest, B.C. *et al*/ Comprehensive evidence implies a higher social cost of CO₂. *Nature* 610, 687–692 (2022).

Things that are generally unhelpful

- MCDA with health service decision makers and / or public
 - Problem demands an intersectoral solution
 - How can the next generations values be included?
- Life-Cycle Analysis layered onto HTA
 - LCA is potentially important but not for HTA
 - Consider a CBA of layering LCA onto every HTA submission?
- ICFER and ICFCRs
 - How can increasing the number of ratio statistics lead to better decision making?

Concluding statement

In confronting climate change, our commitment must be matched by humility. Well-intentioned haste to green our HTA methods risks overreach and could exacerbate the very issues we aim to resolve



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