

# Parameters for Allocation of Expensive medical devices (EMD) As a National Regulatory Mechanism

Orna Tal<sup>1,2</sup>, Nadav Sheffer<sup>1,3</sup> Sharona Vaknin<sup>2</sup>

<sup>1</sup> Ministry of Health, <sup>2</sup> Israeli Center for Technology Assessment in Health Care, Gertner Institute, <sup>3</sup> Ariel academic Collage

---

**Background:** In an ever-growing environment of health expenditure, governments should consider methods to contain costs, for example: professional guidelines, appropriateness criteria, preauthorization mechanism and regulations. Certificate of Needs (CON), although controversial, was also considered as a tool to lower health costs by limiting supply of health services.

Therefore, expenditure of costly medical devices require the special attention of the Ministry of Health or regulatory authorities.

**Aims:** To define the relative importance of significant parameters in the decision-making model for allocation of expensive medical devices in Israel.

**Methods:** A survey, using a structured questionnaire, was conducted among 50 participants from the Ministry of Health (Medical Technology Assessors, and health economists), researchers in health policy and sociology of health, psychologists, epidemiologists, physicians (radiologists and general physicians), nurses and members of the “Health Parliament”.

**Discussion:** Limiting the number of special devices and raising the device utilization levels constitute basic tools in the fight to restrain growing costs in the health system. The Certificate of Need methodology is a means of limiting health expenditures. Relevant allocation criteria include parameters of varying importance.

Our study revealed that certain **parameters are of greater importance** in the decision-making process. These parameters include: emergency function of the institute, extent of activities, alternatives available and examination mix.

**Parameters of mediocre importance** (utilization, geographic distribution, number of hospital beds, and specialized departments) and **parameters of least importance** (population characteristics, training and policy considerations) have a low impact.

**Conclusion:** Defining the "weight" for these parameters can be translated to a model that assists in determining appropriate needs for expensive devices as a regulatory tool balancing health outcomes and resources.

**Key Words:** Certificate of Need (CON), Regulatory mechanism, Cost containment, Expensive- medical –devices (EMD),

1. Selected Health for All Indicators- Israel 2006, WHO & Ministry of Health, Dept. of Health Information, 2006.
2. Poulsen PB Health Technology Assessment and Diffusion of Health Technology, Odense University Press 1999.
3. Banta HD, Behney CJ, Willems JS. Toward rational technology in medicine: considerations for health policy. Springer Ser Health Care Soc.1981;5:v-xiv, 1-242
4. Pollock AM. Rationing health care: from needs to markets? The politics of destruction: rationing in the UK health care market. Health Care Anal. 1995 Nov;3 (4):299-308; discussion 309-14.
5. Maynard A, Bloor K. Universal coverage and cost control: the United Kingdom National Health Service. J Health Hum Serv Adm. 1998 Spring;20(4):423-41.
6. Bate A, Donaldson C, Murtagh MJ. Managing to manage healthcare resources in the English NHS? What can health economics teach? What can health economics learn? Health Policy. 2007 May 16
7. Pacella SJ, Comstock M, Kuzon WM Jr. Certificate-of-Need regulation in outpatient surgery and specialty care: implications for plastic surgeons. Plast Reconstr Surg. 2005 Sep 15;116(4):1103-11; discussion 1112-3.
8. Shemer J. Siebzeiner MI; Health technology Policy in Israel at a Time of Health Care Reform. In: J Shemer & T. Schersten (Eds) 1995.
9. Culyer AJ, Meads A. The United Kingdom: effective, efficient, equitable? J Health Polit Policy Law. 1992 Winter;17(4):667-88.