

Financing healthcare innovation in France, between efficiency and equity: the impact of delisting drugs from the French add-on list.

Baptiste Haon, Augustin Rigollot, Yann Videau, Lise Rochaix

Abstract

The French Add-On List is a payment scheme designed to exclude innovative and costly medications from the hospital budget. The objective is to ensure universal access to these molecules while ensuring efficiency. The aim of this paper, in line with existing literature, is to investigate the life cycle of medications on the add-on list, in particular examining the effect of prices and potential impact heterogeneity according to delisting motives on the volumes of delisted medications. These volumes, representing hospital demand for costly molecules, are used here as a proxy for equitable access. We study volume variations following a delisting to establish whether it leads to a decrease in volumes or enhances hospital sensitivity to prices, which would indirectly reveal the equity benefits of add-on list, both in terms of patients' access and between hospitals. Panel data from the add-on list and the medication survey between 2013 to 2021 have been used, focusing on delisting waves occurring between 2014 and 2017.

We use panel data from the add-on list and medication surveys between 2013 and 2021, focusing on delisting that occurred between 2014 and 2017. We use a pseudo-panel model after performing multiple imputations to address missing data.

Our primary findings highlight the heterogeneity of effects based on delisting motives, the absence of a significant decline in hospital demand post-delisting, and weak or non-significant effects of prices. We also identify differences in sensitivity to delisting based on hospital status. We conclude by discussing implications for public policies.