For the United States, the experience of other nations provides considerable guidance in establishing and administering a comparative effectiveness (CE) program. In particular, this issue brief draws on the experience of CE entities in the industrialized world to outline the core attributes of entities that currently administer CE programs.

In 2008, AcademyHealth commissioned a comparative analysis of the United State’s and other industrialized nations’ experiences in Comparative Effectiveness Research by Gerard Anderson Ph.D., and Kalipso Chalkidou M.D., Ph.D. This brief is based on their final report, *Comparative Effectiveness: International Experiences and Implications for the United States*, which was published in July 2009.

In keeping with the Congressional Budget Office (CBO) definition of CE (“...a rigorous evaluation of the impact of different options that are available for treating a given medical condition for ... a set of patients”) and the experience of several nations, the authors reviewed CE as applied to medical devices and drugs, surgical interventions, and diagnostic tests. Their examination focused on (1) organizational forms of CE entities, (2) methods used by CE entities, and (3) impacts of CE programs and dissemination.

**Organizational Forms of CE Entities.** Most CE entities in industrialized nations emerged as part of a comprehensive restructuring of a nation’s health care system. That is, CE entities represent a response to the needs of public and private payers, clinicians, other health care professionals, and patients rather than a response to academic investigators. All entities are, to greater or lesser degrees, independent of the respective nation’s government, although all are the creation of government. To ensure accountability, however, one or more independent boards of directors oversee each CE entity. It is common for CE entities to set standards, with oversight/monitoring provided by another entity within the health care system. Most CE entities are small organizations that contract out research and rely on other entities to carry out analysis and disseminate findings. Therefore, CE entities’ budgets tend to be modest.

**Methods Used by CE Entities.** Each CE entity’s prioritization process identifies issues for review in accordance with the needs of decision makers; research rigor ensures a focus on issues and away from politics. By making evidence and the organization’s deliberations available for public review, CE entities ensure transparency. At the same time, CE entities recognize that they must often make tentative decisions based on incomplete information until complete information is available. Different types of information figure into CE decisions, including claims data, meta analyses, manufacturers’ information, and evidence re-examined in light of new data. CE entities rely primarily on evidence-based research but are increasingly turning to prospective trials. CE entities cannot assume the applicability of research findings across a broad population and therefore undertake the necessary methodological research to ensure...
that findings are applicable to subpopulations of interest. As CE entities have evolved, they have added cost considerations to their CE analyses and, in particular, focus on cost from the payer’s perspective, although they often consider societal, patient, government, and insurer costs.

Impacts of CE Programs and Dissemination. CE entities’ decisions require stakeholder buy-in if CE is to have its desired impact. Therefore, CE entities engage relevant stakeholders in both the decision-making process and the design of their CE methodology. As for their ability to reduce health care spending, CE entities occupy a still untested position in today’s health care system. First, most such entities were not established with cost containment as their goal. Second, most continue to approve the use of increasingly costly technologies; however, in the absence of CE entities, it is difficult to determine relative health care costs associated with such technologies. Third, the short history of CE entities and the lack of appropriate controls precludes an assessment of their impact on long-term spending and health outcomes. To date, though, CE entities permit payers, consumers, and industry to understand how health care funds are invested. At times, CE entities have received political and legislative support when their recommendations have met with disfavor. In making their decisions known to stakeholders, CE entities lack the authority to require implementation of their recommendations and must instead turn to other entities, but dissemination and implementation support are increasingly becoming important responsibilities of CE entities.

As CE entities continue to evolve in industrialized nations, they are playing an increasingly pivotal role in health care decision-making and cost containment efforts. The expanding function of CE entities in the international arena points to the important place of CE entities as the United States addresses the restructuring of its health care system. CE entities can potentially inform health care decision making, ensuring that all parties to health care consider the long-term impacts of health outcomes in the context of cost, especially in an era of rapidly developing medical technologies and advances.