



Centre For Health Economics

Health Economics News

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Welcome to the CHE Newsletter

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Courses and workshops

Analysing patient-level data using hospital episode statistics (HES) April 2015

York expert workshops in the socio economic evaluation of medicines June/July 2015

Further details: www



Is the NHS paying too much for new drugs?

Research Team: Karl Claxton, Mark Sculpher, Marta Soares, Nigel Rice, Eldon Spackman, Seb Hinde (CHE), Steve Martin (University of York), Nancy Devlin (OHE), Peter C Smith (Imperial College)

Research published recently on estimating the effects of changes in NHS expenditure on the health of all NHS patients was widely reported in the media, both nationally and internationally. It has been found that the 'threshold', currently £30,000 per QALY, used by the National Institute for Health and Care Excellence (NICE) when gauging the cost-effectiveness of new drugs, is too high. Our research found that £13,000 of NHS resources adds one QALY to the lives of NHS patients. This means that the approval of new drugs is doing more harm than good to NHS patients overall and the NHS is paying too much for new drugs. It also indicates the scale of the harm that has been done to other NHS patients of devoting £280m of NHS resources to the Cancer Drugs Fund in 2014/15 (a loss of 21,645 QALYs). The increasing pressure to approve new drugs more quickly at prices that are too high will only increase the harm done to NHS patients overall.

The research demonstrates that the threshold to gauge cost-effectiveness and how much the NHS can afford to pay for benefits offered by new drugs is a scientific question that can be informed by evidence and analysis.

More details about this research including web casts and a calculator 'how much and what type of health is lost' can be found here www

The world leading research undertaken by the Centre for Health Economics has been recognised by the University of York's ranking as equal 7th in the country for Public Health, Health Services and Primary Care in the national assessment of the quality and impact of research in the 2014 Research Excellence Framework (REF). CHE was part of the submission made jointly with the Department of Health Sciences, the Centre for Reviews and Dissemination and Hull York Medical School. The results published on 18 December 2014, showed that 83% of the research submitted was rated as world leading or internationally excellent. The impact of our research on society and citizens was also rated equal 7th; and we were ranked equal first for research environment, one that is conducive to producing research of world-leading quality, in terms of vitality and sustainability.



Supermarket price promotions encourage unhealthy food choice

Research Team: Ryota Nakamura, Marc Suhrcke (CHE), Susan Jebb (Oxford), Rachel Pechey, Theresa Marteau (Cambridge), Eva Almiron-Roig (MRC)

Price promotions are commonly used in stores to boost sales through price reductions and stimulate impulsive purchases by increasing the prominence of selected items through tags and positioning. There is growing concern, but very little empirical evidence, that such promotional activities by the food industry may contribute to poor dietary choices and might lure consumers away from healthier, higher priced options.

CHE researchers, in collaboration with researchers from the University of Cambridge and East Anglia, studied detailed data on purchase records of all foods and beverages (over 11,000 products) by 27,000 households in the UK. The results show - perhaps surprisingly - that on the whole less healthy items were no more frequently promoted than healthier ones. However, after accounting for price, price discount, and brand characteristics, the magnitude of the sales increase was larger in less healthy than in healthier food categories. A 10% increase in the frequency of promotions led to a 35% sales increase for less healthy foods and a just under 20% sales increase for healthier foods. The results suggest that restricting price promotions on less healthy foods has the potential to make a difference to people's eating habits and encourage healthier, more nutritious diets.



The research has been published in the American Journal of Clinical Nutrition, and covered by a number of news articles and science blogs. Journal article is here: www.ajcn.org

Do all patients in the European Union have the same access to safe and effective healthcare?

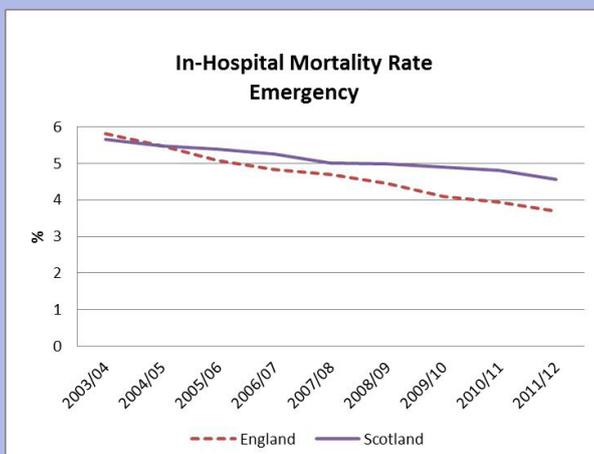
Research Team: Nils Gutacker, Richard Cookson (CHE), Karen Bloor (University of York)

The European Collaboration for Healthcare Optimization (ECHO) set out to answer this question by bringing together comprehensive record-level hospital data on over 190 million patients from six European countries (Spain, Denmark, Portugal, Austria, Slovenia and England). This is the first time that such data have been combined to study the comparative performance of healthcare systems and evaluate health policy. The English aspect of the work was led by Karen Bloor (Department of Health Sciences) together with researchers from CHE (Nils Gutacker and Richard Cookson). The first results of this project have now been published in a special issue in the *European Journal of Public Health* and demonstrate widespread variation in healthcare utilisation and outcomes across Europe. For example, a comparison of health outcomes following bypass surgery revealed that mortality risk in Spain is nearly twice that in England. This is not because of case-mix differences but may be related to the relatively low volume of procedures undertaken in Spanish hospitals compared to the highly concentrated provision in England. The success of the ECHO project has led to interest from other EU-member states and the collaboration has secured additional funding from the European Commission to expand the ECHO data warehouse into a European IT infrastructure. For further project information see: [www](http://www.echo-project.eu) and for the special issue see: [www](http://www.eurojpubl.com)



Understanding the differences in in-hospital mortality between Scotland and England

Research team: Maria Jose Aragon and Martin Chalkley (CHE)



A lot of concern centres on differences in mortality between hospitals. Studies on this topic are fraught with difficulties in accounting for the types of patients – the case-mix – that hospitals treat. Our study takes a different perspective and examines variation in in-hospital mortality between Scotland and England over time.

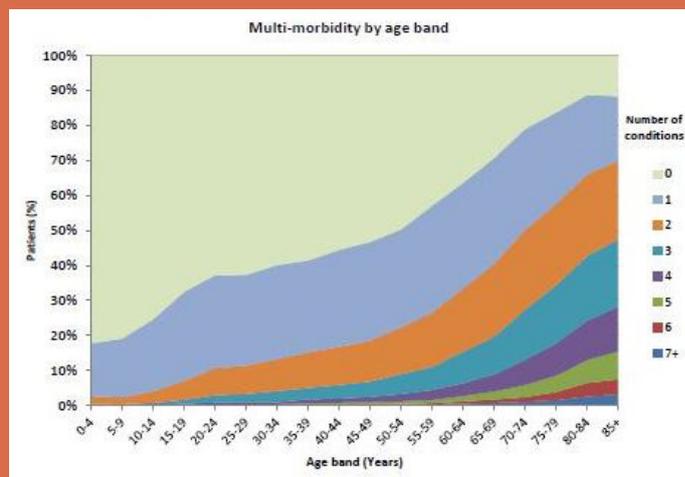
Whilst there are important differences in the populations of Scotland and England, those have remained fairly constant over time. So we might expect whatever differences there are in hospital mortality to stay the same over time. Generally, in-hospital mortality is decreasing so the two countries might be expected to show decreases at the same rate. As the figure shows this is not the case; the figure is for emergency admissions, but the picture is similar for all admissions. Furthermore the divergent trend remains even once we take into account the quite small changes in population structure and mixture

of treatments in the two countries. There are important questions about how this divergence can be explained; is it to do with the ways in which hospitals work, the expectations of people about end of life care, or something else? We are continuing to work on answering those questions. For full report see CHE Research Paper 104 [www](http://www.cher.ac.uk)

Who would most benefit from integrated care?

Research Team: Panos Kasteridis, Andrew Street (CHE), Matthew Dolman (Somerset CCG), Lesley Gallier, Kevin Hudson (SW Commissioning Support), Jeremy Martin (The Symphony Project), Ian Wyer (S Somerset Healthcare Federation)

The Symphony project is designed to improve the integration of health and social care for the population of South Somerset. To support the aims of the project Panos Kasteridis and Andrew Street analysed utilization, cost, socioeconomic and morbidity data for the entire population of 115,000 people. The results, published in the *International Journal of Integrated Care*, demonstrate that multi-morbidity, not age, was the key driver of health and social care costs. Moreover, the number of chronic conditions is as useful as information about specific conditions in predicting costs. This is an important finding, because it reduces the information requirements for the design and calculation of capitated budgets to support integrated care, allowing budgets to be constructed in localities that are able to count the number of conditions a person has, but that lack detailed morbidity data. The proposed analytical strategy makes it possible to estimate capitated budgets for different groups likely to benefit from integrated care, and to refine predictions of budgetary requirements should the characteristics of the



group change or if there are changes across the settings in which care delivery takes place. An overview of the analysis is given here in the *Health Service Journal*. Full article details can be found here: www.hsj.co.uk

Latest News

In November 2014 **Pedro Saramago** and **Marta Soares** gave a 3-day course on 'Advanced decision analytic modelling for economic evaluation of health interventions' in Santiago, Chile, funded by ISPOR and Universidad de Chile.

Also that month, **Mark Sculpher**, **Pedro Saramago**, **Marta Soares**, **Rita Faria** and **Ana Duarte** ran the 3-day course on 'Decision analytic modelling for economic evaluation in health' in Rio de Janeiro, Brazil, funded by Brazil's Ministry of Health.

Rita Faria and **Ana Duarte** ran a one-day short course 'Practical issues in Health Technology Appraisal' at the University of São Paulo on 14 November. They also ran a one day workshop on 'Introduction to economic evaluation of health care interventions' for the Ministry of Health of Brazil, in Brazilia, on 20 November. Ana and Rita both presented invited lectures for the Ministry of Health on 21 November.

Tony Culyer has been asked to spend time as a distinguished visiting scholar at the University of Witwatersrand, Johannesburg, South Africa during 2015.

New funding

Collaboration in Leadership for Applied Health Research & Care (CLAHRC) research capacity funding 14-15 - health economic and outcome measurement
Laura Bojke, Susan Griffin, Gerry Richardson, Mark Sculpher
Jul 2014 - Mar 2015
Funder: CLAHRC RCF

Models of reablement evaluation: a mixed methods evaluation of complex intervention (The MORE Project)
Helen Weatherly, Rita Faria (Led by Fiona Aspinall, SPRU, York)
Oct 2014 - Jul 2017
Funder: NIHR HS&DR

Opioids in heart failure
Gerry Richardson, David Torgerson (Led by Miriam Johnson, University of Hull)
Nov 2014 - Apr 2018
Funder: British Heart Foundation

UK FROST - Multi-centre randomised controlled trial with economic evaluation and nested qualitative study comparing early structured physiotherapy versus manipulation under anaesthesia versus arthroscopic capsular release for patients referred to secondary care with a frozen shoulder (Adhesive Capsulitis)
Gerry Richardson, David Torgerson (Led by Amar Rangan, The James Cook University Hospital)
Oct 2014 - June 2019

Modelling generic preference based outcome measures - development & comparison of methods
Andrea Manca (Led by Sheffield University)
Sept 2014 - Feb 2017
Funder: MRC

CLAHRC II - health economics
Mark Sculpher, Gerry Richardson, Laura Bojke, Karen Bloor
Jan 2014 - Dec 2018
Funder: NIHR CLAHRC

CLAHRC II - evidence based transformation
Andrew Street, Nils Gutaker, Katja Grasic
Jan 2014 - Dec 2015
Funder: NIHR CLAHRC

Latest CHE Research Papers

CHERP106 Patient choice and the effects of hospital market structure on mortality for AMI, hip fracture and stroke patients.

CHERP107 - forthcoming

CHERP108 - Cost analysis of the legal declaratory relief requirement for withdrawing Clinically Assisted Nutrition and Hydration (CANH) from patients in the Permanent Vegetative State (PVS) in England and Wales.

CHERP109 - Country-level cost-effectiveness thresholds: initial estimates and the need for further research.

Free to download here: www.hsj.co.uk

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