



Centre For Health Economics

# Health Economics News

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## Welcome to the CHE Newsletter

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### Courses and Workshops

#### York Summer Workshops in Health Economic Evaluation

*Foundations of Economic Evaluation in Health Care* 17 - 21 June 2019

*Advanced Methods for Cost-Effectiveness Analysis: Meeting Decision-Makers' Requirements* 24 - 28 June 2019

*Outcomes Measurement and Valuation for Health Technology Assessment* 1 - 3 July 2019

#### Decision Analytic Modelling for Economic Evaluation

*Foundations Course* 8 & 9 April 2019

*Advanced Course* 10 - 12 April 2019

#### Statistical Methods in Economic Evaluation for HTA

*Foundations Course* 18 & 19 March 2019

*Advanced Course* 20 - 22 March 2019

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## *The disutility of commuting? The effect of gender and local labour markets*

Project team: Nigel Rice, Nikita Jacob (CHE), Luke Munford (Manchester Centre for Health Economics, University of Manchester) Jennifer Roberts (Department of Economics, University of Sheffield)

An individual's time spent commuting places a constraint on their overall use of time. It raises concerns about levels of stress and psychological problems among the working population, which appear to arise from ever-increasing demands on time and the problems of maintaining an appropriate work-life balance. The average commuter in the UK spends almost an hour per day travelling to and from work. Economic theory indicates that commuting is a choice behaviour where rational individuals undertake longer commutes if they are compensated. This compensation can be through either lower rents or greater amenities in the housing market, or through higher wages in the labour market. In this study, we investigate the impact of exogenous increases in commuting time on well-being; by holding constant an individual's housing location and their job characteristics.

Using data from the UK Household Longitudinal Study, we show that longer commutes lead to lower levels of well-being for women, but not for men. We investigate this phenomenon by considering child-care responsibilities, working practises, labour market conditions along with occupational classes. Our findings show that married or cohabiting women, working full-time in managerial or professional roles report lower well-being for increased commutes. Moreover, we find these effects for women living in areas where employment opportunities for these roles are fewer. It appears that women undertaking such job roles are required to commute further from their residential location to secure relevant employment opportunities. Since these longer commutes are not compensated through greater wages or housing amenities, the increased constraint on their use of time appears to reduce their well-being.

Link to paper here: [www](http://www.york.ac.uk/che/publications)



## Does the private sector provide better quality care for NHS patients than NHS hospitals?

Project team: Hugh Gravelle, Nils Gutacker (CHE), Giuseppe Moscelli (University of Surrey), Luigi Siciliani (University of York)

Around 10% of NHS funded non-emergency treatments in England are carried out in private sector hospitals which are paid the same amount per patient for the treatment as NHS hospitals.

We investigated whether quality of care differs between NHS and private hospitals. We used routine administrative data from 2013/14 on 3.8 million NHS funded patients receiving 133 non-emergency treatments in 393 NHS and 190 private hospital sites. We found that, compared to patients treated in NHS hospitals, NHS patients treated in private hospitals had a smaller risk of a subsequent emergency admission after completion of their initial non-emergency treatment. Allowing for the fact that NHS patients treated in private hospitals have fewer observable pre-existing health problems than those treated in NHS hospitals, reduced but did not eliminate, the quality deficit for patients in NHS hospitals. Thus a simple analysis suggests that quality is higher in the private sector.

But routine hospital data do not record all pre-existing health problems and it is possible that patients in private hospitals also have fewer unobserved pre-existing problems as well as fewer observed problems. Patients with more problems may be more likely to choose an NHS hospital. We therefore allowed for this selection bias by using the difference in distances from each patient to their nearest NHS and nearest private hospital to predict whether they were treated in the NHS or a private hospital. We found that, after controlling for selection, there was no statistically significant difference in quality between NHS patients treated in private and NHS hospitals and indeed quality was slightly lower for those treated in private hospitals.

Link to paper here: [www.bmj.com/content/358/bmj.g2187](http://www.bmj.com/content/358/bmj.g2187)

## Alan Maynard: A sceptical economist and his view of health care and health policy

Maria Goddard and Karen Bloor

Alan Maynard, who died in February 2018, spent fifty years applying economic thinking and a sceptical approach to policy and practice in the field of health and health care.

Recent celebrations of the seventieth anniversary of the NHS provide a chance to reflect on health policy in England over recent decades, and Alan's contribution to its development. Alan's writing and teaching will have a lasting influence on the NHS and its future. An article written by Maria Goddard and Karen Bloor summarises Alan's contribution in the context of recent debates on the future of the NHS.

Link to article here: [www.bmj.com/content/358/bmj.g2187](http://www.bmj.com/content/358/bmj.g2187)



## Assessing the Value of New Antimicrobials Under Innovative Funding Schemes

Project Team: Claire Rothery, Beth Woods, Laetitia Schmitt, Karl Claxton, Stephen Palmer, Mark Sculpher

The O'Neill [report](#) on tackling drug-resistant infections globally and incentivizing the development of new antimicrobials recommended that governments find new ways to reward industry for new products that avoid their over-use. Policy makers in the UK are considering 'insurance' payments for access to new antimicrobials which 'delink' revenue from volume sold, hence rewarding manufacturers even if the product is held in reserve against widespread drug resistance. The National Institute for Health and Care Excellence (NICE) may have a key role in assessing the value of new antimicrobials, informing the NHS regarding appropriate payments.

EEPRU recently considered suitable methods for NICE appraisal of new antimicrobials. Value hinges on the long-term impact of a product on population health, reflecting the various ways in which it could be used and anticipated resistance patterns over time. The report outlines the challenges of such work, including limited clinical and epidemiological evidence at launch and the complexities of modelling resistance patterns allowing for infection transmission dynamics. Despite these challenges, the authors conclude that modelling is essential to guide NHS funding decisions, but explicit consideration of uncertainty and the priorities for future data collection is needed. The extensive uncertainty in the value of new products suggests an iterative approach to determining NHS payments and also has implications for NICE's process of assessment and appraisal.

Link to EEPRU Report: [www.eepru.org.uk](http://www.eepru.org.uk)

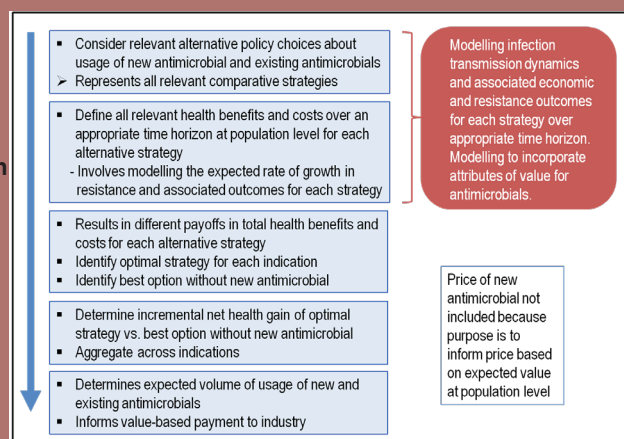


Figure: Overview of the conceptual value framework



# ODI Health Fellows – ‘Mid-Term Conference’ 2018

Written by Alex Rollinger

Current Overseas Development Institute (ODI) Health Fellows visited CHE in October to participate in a two-day ‘Mid-Term Conference’ supported by the [Thanzi la Onse research programme](#).

The Fellows – consisting of the 2017 and 2018 cohorts – are all currently working as economists for Ministries of Health across Africa, South East Asia and the Pacific region, alongside local civil servants to address major challenges faced by many low- and middle-income country governments.

The Conference – organised by the Health Fellows and hosted by CHE - marked the first opportunity for Fellows to come together since the start of their Fellowships and provided an excellent opportunity to share their experiences, identify the common challenges affecting their host-countries, and learn from one another.

Key topics discussed included:

- managing national health budgets and fund flows
- coordinating with international donors and implementing donor interventions
- Essential Health Package (EHP) development and implementation
- health financing mechanisms
- health sector human resources
- availability and quality of national health and population data

*Thanzi la Onse* Theme 2 (Health Economics) researchers were also invited to participate in the Conference to work with Fellows in identifying economic approaches for addressing health care resourcing and delivery challenges. This provided a great opportunity for *Thanzi* researchers to hear about the Fellows’ experiences and learn from their in-depth understanding of the priorities, barriers and day-to-day practicalities of delivering health care to citizens.

The Conference concluded with the ODI Fellows attending the Global Symposium on Health Systems Research in Liverpool, during which they held a parallel meeting involving former-ODI Health Fellows.

*Thanzi la Onse* was delighted to support this important event, and is committed to supporting similar conferences on an annual basis. More information here: [www](#)



## Presentations and staff news

Congratulations to [Alex Rollinger](#), Project Manager, who has recently been promoted.



CHE staff attended the European Health Economics Association (EUHEA) Conference held in Maastricht, the Netherlands, from 11-14 July. The conference was organised by Maastricht University and Maastricht University Medical Center. This year’s theme was “Shaping the Future: the Role of Health Economics”. Staff attending and presenting included **Simon Walker, Francesco Ramponi, Rowena Jacobs, Tom Patton, Susan Griffin, Ana Duarte, Laurie Rachet Jacquet, Francesco Longo** and **Gowokani Chirwa**.

**Adriana Castelli** and **Francesco Ramponi** took part in the 5th EuHEA PhD Student-Supervisor and Early

Career Researcher Conference in Catania, Italy, between 5-7 September.

21-23 September, **Jemimah Ride** attended the Fourth Meeting on Patient Reported Outcomes and Person Centered Care in Mental Health, held in Washington DC, USA.

From 29 October to 2 November, **Marc Suhrcke, Noemi Kreif, Jessica Ochalek** and **Andrew Mirelman** attended and presented at the 5th annual meeting of the Indonesian Health Economics Association (InaHEA) in Jakarta.

CHE researchers contributed to [ISPOR Europe 2018](#), Barcelona in November.

Please see our website for more information about these and other [presentations and visits](#).

CHE is looking forward to hosting the Winter HESG meeting in January 2019. This meeting has attracted a record number of registrations and booking is now closed.

## New funding

FARSTER - Feasibility study of early outpatient review and early cardiac rehabilitation after coronary artery bypass grafting.

Seb Hinde  
Funder: NiHR RfPB  
May 2018 to Oct 2019

Costs and Outcomes of Digital Interventions to improve mental health: Evidence review and synthesis, decision modelling and knowledge transfer (CODI).

Laura Bojke, Pedro Saramago Goncalves  
Funder: NiHR HTA  
Sep 2018 to Feb 2020

The University of York secured £1.2m funding to form one of eight new Mental Health Networks, supported by UK Research and Innovation (UKRI), which will bring together researchers, charities and other organisations to address important mental health research questions. Rowena Jacobs from CHE will lead one of the themes on 'big data'.

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These and other CHE publications here: [www.york.ac.uk/che](http://www.york.ac.uk/che)

## Latest CHE research papers

**156** The determinants of health care expenditure growth. Nigel Rice, María José Aragón.

**157** Paying for efficiency: Incentivising same-day discharges in the English NHS. James Gaughan, Nils Gutacker, Katja Grasic, Noemi Kreif, Luigi Siciliani, Andrew Street.

**158** Estimating the marginal productivity of the English National Health Service from 2003/04 to 2012/13. James Lomas, Stephen Martin, Karl Claxton.

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## Policy & Research Briefing

How do we include health inequality impacts in economic analysis of policy options? Brendan Collins, Susan Griffin, Miqdad Asaria, Simon Capewell, James Love-Koh, Chris Kypridimos, Jonathan Pearson-Stuttard, Martin O'Flaherty, Richard Cookson.

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