

Staff news

Roy Carr-Hill, Mike Drummond, Maria Goddard and Paul Kind acted as the selection committee for the 2007 health development awards of the Global Development Network, an organization set up by the World Bank to promote better worldwide research into development in low income countries. Peter Smith chaired the finalists' panel at the GDN conference in Beijing.

Student news



Rodrigo Moreno-Serra was selected to participate in the 2006/07 Winter Internship Program of the World Bank. Rodrigo worked on the project "Social Health Insurance and Tax-Financed Health Care in Europe and Central Asia: Spending and Labour Market Implications" under the supervision of Adam Wagstaff (Lead Economist - Health, Development Research Group).

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Welcome to the first electronic newsletter of the Centre for Health Economics. The Centre has been in existence for nearly 25 years, and we aim to undertake high quality research to influence health policy decisions. We promote both scientific innovation and its impact on policy and practice. CHE adopts a broad interpretation of health economics, and our researchers have made major contributions in fields as diverse as health status measurement, the organisation of primary care, healthcare financing, health technology assessment, medical decision-making, performance measurement, and the economics of addiction.

The objective of the newsletter is to keep policy makers, researchers and practitioners informed about recent developments at the Centre, including completed research and forthcoming events. We hope it is useful. For further information visit our website www.york.ac.uk/inst/che. If you have any suggestions for improvement, please do not hesitate to contact me at che-news@york.ac.uk

Peter Smith, Director

Cooksey and the OFT report: developing the right technologies at the right price with the evidence needed for NHS practice? Karl Claxton

The Centre for Health Economics organised a one day workshop jointly with the Office of Health Economics to discuss the issues raised by the Cooksey Report on UK health research funding and the Office of Fair Trading (OFT) report on the UK pharmaceutical price regulation scheme. Both reports are broad ranging with significant implications for the private sector, the NHS and publicly funded research and development. The recommendations of the Cooksey Report, which are intended to more closely focus publicly funded research on meeting the needs of the NHS, have already been accepted by the Treasury and are being implemented. The OFT report recommends the reform of the pharmaceutical price regulation scheme, currently based on a combination of profit and price controls, to one in which price is based on the health benefits offered by a pharmaceutical product. The government is due to respond to the OFT report soon taking account of the views offered during the current consultation period.

Contributors to the workshop included: Sir David Cooksey; Sir Michael Rawlins and Peter Littlejohns (from the National Institute for Health and Clinical Excellence); Simeon Thornton (OFT); and senior representatives from the pharmaceutical industry, the NHS, government departments, and a range of academic disciplines. A discussion paper based on a transcript of the meeting will be published, and the issues raised by the OFT report are discussed in a paper by Karl Claxton in the June 2007 issue of *Health Economics*.



Coronary heart disease (CHD) is the most common cause of premature death in the UK. The Government is committed to reducing the death rate from CHD by at least 40% by 2010. Identifying the most appropriate interventions for the 275,000 people in the UK who suffer a

heart attack each year is central to achieving these targets. The Team for Economic Evaluation and Health Technology Assessment (TEEHTA) has undertaken research to assess the value of primary angioplasty for patients who have suffered a heart attack.

A heart attack is caused when the flow of blood through the arteries is reduced, usually by a clot in a coronary artery, causing irreversible damage to the heart muscle. Outcomes can be improved by re-establishing coronary artery flow as quickly as possible, thereby limiting damage to the heart. The use of clot dissolving drugs (thrombolytics) is the mainstay of treatment in the NHS. However, primary angioplasty provides an alternative approach to unblocking the artery. A small balloon is inserted into the blocked artery and inflated in order to re-establish blood flow. The question of whether primary angioplasty should become the first line treatment in the NHS has been the subject of considerable policy debate and was the focus of recent work undertaken by TEEHTA.

Randomised trials comparing thrombolysis and primary angioplasty have demonstrated substantial benefits from angioplasty in terms of improved patient outcomes. However, concerns have been raised regarding the impact that any additional delay associ-

ated with providing primary angioplasty may have on outcomes and the limited evidence related to the overall cost-effectiveness of this intervention. In order to address these issues from the perspective of the NHS, TEEHTA developed a comprehensive decision model to evaluate the cost-effectiveness of the use of primary angioplasty. The approach provided a framework to synthesise the clinical effectiveness evidence with a range of other data necessary to evaluate cost-effectiveness. The evaluation, using advanced Bayesian statistical approaches, allowed a number of key policy issues to be robustly addressed whilst ensuring that key technical issues related to the uncertainty and correlation in the model inputs were appropriately addressed.

Results demonstrate that primary angioplasty appears cost-effective at thresholds used by the National Institute for Health and Clinical Excellence (£20,000 to £30,000 per additional quality-adjusted life-year). This conclusion, however, was shown to be sensitive to the additional time delay associated with delivering angioplasty rather than thrombolysis.

This work is now supporting a wider evaluation by the National Infarct Angioplasty Project Pilots (supported by funding from the Department of Health), considering the logistical issues associated with providing a primary angioplasty service in the NHS.

Related publications:

Asseburg C, Bravo Vergel Y, Palmer S, Fenwick E, de Belder M, Abrams K, Sculpher M (2007). Assessing the effectiveness of primary angioplasty compared to thrombolysis and its relationship to time delay: a Bayesian evidence synthesis. *Heart* (In press – available on online first: <http://heart.bmj.com/cgi/content/abstract/hrt.2006.093336v1>)

Bravo Vergel Y, Palmer S, Asseburg C, Fenwick E, de Belder M, Abrams K and Sculpher M (2007). Is primary angioplasty cost-effective in the UK? Results of a comprehensive decision analysis. *Heart* (In press)

Funding success and new projects

Roy Carr-Hill

- ◆ *Cost and cost-effectiveness of community engagement* in collaboration with Lancaster University. Funded by NICE.
- ◆ *Healthcare Commission's assessment process*. Funded by Healthcare Commission in collaboration with GfK/NOP and OPM.

Roy Carr-Hill, Nigel Rice and Paul Dixon

- ◆ *Review of Needs Formula 2006/07* in collaboration with Brunel University. Funded by the Department of Health.

Richard Cookson

- ◆ *Effects of choice and market reform on equalities of access to health care*. Funded by NHS SDO.

Maria Goddard

- ◆ *Quality in, and equality of access to, healthcare services*. In collaboration with the European Health Management Association and various European partners. Funded by the European Commission.

Christine Godfrey

- ◆ *Smoking in pregnancy*. Funded by Department of Health via The Public Health Research Consortium.

Rowena Jacobs

- ◆ *Investigating patient outcome measures in mental health*. Funded by OHE commission on NHS productivity.

Paul Kind

- ◆ *Developing Latin American Dataset EQ-5D*. Funded by EuroQol.
- ◆ *EQ-5D Manuscript*. Funded by Boehringer-Ingelheim.

Mark Sculpher

- ◆ *Are the quality and outcomes framework (QOF) indicators a cost effective use of NHS resources*. Funded by the Department of Health.

Andrew Street

- ◆ *International literature review & information gathering on financial tariffs*. Funded by Department of Health and Social Services, Wales.
- ◆ *The contribution of ICT to healthcare system productivity and efficiency: what do we know?* Funded by OECD.
- ◆ *Practice Based Commissioning*. Funded by Hull Primary Care Trust.

Andrew Street and Maria Goddard

- ◆ *Investigating the governance of Foundation Trusts*. In collaboration with the London School of Hygiene and Tropical Medicine. Funded by NHS SDO.

Roar Gjelsvik, from University of Bergen, Norway (January to April 2007).

Marielle van der Burgt, from the Department of Medical Technology Assessment in The Netherlands (February to August 2007).

Gabriel Ferrato Dos Santos from Campinas State University in Sao Paulo, Brazil (July to December 2007).

Pilar Garcia Gomez, from Pompeu Fabra University, Barcelona, Spain (January - June 2007).

Wolf Rogowski from the Institute of Health Economics & Health Care Management in Munich, Germany (May to October 2007).

Sandy Tubeuf from the Institute of Research in Health Economics (IRDES) in Paris, France (December 2006 to December 2007).

Alan Williams' Health Economics Fellowship Awards

Professor Alan Williams, the internationally renowned health economist, died in June 2005. To recognise his achievements the University of York established the *Alan Williams Health Economics Fellowship Fund* to award travel Fellowships.

Congratulations to the most recent recipients of the awards:

- ◆ **Rena Conti**, is a health economist and Instructor at the Department of Pediatrics, University of Chicago, USA.
Research project: The application of value of information methods to innovative cancer treatments.
- ◆ **Giuliana de Luca**, is a researcher from the Department of Economics and Statistics, University of Calabria, Italy.
Research project: How clinical quality provided in primary care setting impacts on short and long term diabetes-related complication admission rates?
- ◆ **Matteo Galizzi**, is an Assistant Professor from the Department of Economics, University of Brescia, Italy.
Two Research projects: 1. "Are you what you eat? Experimental evidence on health habits and economic behaviour". 2. An experimental validation for an industrial economics paper on "Reference pricing and collusion in the pharmaceutical industry" focussing on the issue of 'time consistency' of reference pricing policies.

There will be a third call for proposals for fellowships announced later in 2007.

<http://www.york.ac.uk/inst/che/williams/williams.htm>

Roy Carr-Hill conducted a series of training workshops in Brussels and Pakistan for European Union officials on Performance Monitoring to accompany the General Budget Support aid delivery modality.

David Epstein, Anne Mason and Peter Smith presented findings from the European 'Health Basket' project at the collaboration's final conference in Berlin, organised as part of the German presidency of the European Union. Further details at <http://www.ehma.org/projects/default.asp?NCID=112>

Maria Goddard has been appointed an expert adviser to the World Health Organisation technical consultation on sexual and reproductive health indicators, and gave an invited presentation on measuring equity of access to services in Geneva. Maria was also a member of an expert panel deciding on the allocation of programme grants for health economics research in Sweden, on behalf of the Swedish Research Council for Working Life and Social Research in Stockholm.

Paul Kind gave invited lectures on US Government proposals to measure health outcomes at the 15th Annual Invitational Conference organised by the Centre for Health Outcomes and Pharmacoeconomics Research, University of Arizona, Tucson.

Paul also visited Bangkok to advise the Thai Ministry of Health on its plans to conduct a national population survey of values for health.

Andrea Manca chaired the committee of external reviewers invited to evaluate the research output of the Institute of Public Administration and Health at Bocconi University, Milan, Italy, in January.

Stephen Palmer has been appointed as a member of Research for Patient Benefit (RfPB) Committee (Yorkshire and Humberside), which commissions local health service research on behalf of the National Institute for Health Research.

Mark Sculpher gave a paper at a plenary session of the 24th National Annual Meeting of the Spanish Society for Quality in Health Care, in Toledo, Spain.

He also gave a presentation on the National Institute for Health and Clinical Excellence Single Technology Assessment Process at the International Society of Pharmacoeconomics and Outcomes Research European meeting, Copenhagen, Denmark.

Peter Smith gave a seminar Health system reform in Europe: lessons for health policy at the National Health Research Institutes in Taiwan.

He presented the Centre's research on value for money in health care at a seminar organized for the Chief Medical Officer and senior colleagues at the Department of Health.

Peter has been appointed to 'Health England', a national reference group set up to advise the minister for public health on implementation of the government's public health strategy.

He also spoke on performance measurement for health systems improvement at a meeting in Brussels organized for senior policy makers by the World Health Organization European Region.

Cave J, **Godfrey C**. Economics of addiction and drugs. In: Nutt D, Robbins TW, Stimson GV, et al (eds) *Drugs and the Future: Brain Science, Addiction and Society*. Amsterdam: Elsevier; 2007. Chapter 13, 389-416.

Coleman T, Thornton J, Britton J, Lewis S, Watts K, Coughtrie MWH, Mannion C, Marlow N, **Godfrey C**. Protocol for the Smoking, Nicotine and Pregnancy (SNAP) trial: double-blind, placebo-randomised, controlled trial of nicotine replacement therapy in pregnancy. *BMC Health Services Research*. 2007;7(2). <http://www.biomedcentral.com/1472-6963/7/2/abstract>

Culyer A, McCabe C, Briggs A, **Claxton K**, Buxton M, Akehurst R, **Sculpher M**, Brazier J. Searching for a threshold, not setting one: the role of the National Institute for Health and Clinical Excellence. *Journal of Health Services Research and Policy*. 2007;12:56-8.

Davies H, Mannion R, **Jacobs R**, Powell AE, Marshall MN. Does hospital organisational culture influence hospital performance? *Medical Care and Research Review* 2007;64(1):66-82.

Dawson D, **Gravelle H**, **Jacobs R**, Martin S, **Smith PC**. The effects on waiting times of expanding patient choice: evidence from a policy experiment. *Health Economics*. 2007;16:113-28.

Drummond M, **Mason A**. Costs and cost-effectiveness of cancer therapies: a European perspective. *J Clin Oncol*. 2007.

Gravelle H, **Hole A**. The work hours of general practitioners' workload: survey of English GPs. *British Journal of General Practice*. 2007;57:96-100

Hauck K, **Street A**. Do targets matter? A comparison of English and Welsh national health priorities. *Health Economics*. 2007;16:275-90.

Jacobs R, **Goddard M**, **Smith P**. Composite performance measures in the public sector. Policy Discussion Briefing, Centre for Health Economics, University of York; 2007.

Jacobs R, **Goddard M**, **Smith PC**. Are composite indicators a good measure of performance? *Laria News, LARIA Newsletter, Local Authorities Research Intelligence Association* 2007;83.

Jones AM, **Rice N**, Bago d'Uva T, Balia S. *Applied Health Economics*, London: Routledge, 2007

Marini G. Non-Keynesian effects of fiscal policy: the role of rational expectations, (In Italian). *Rivista Italiana di Economia demografia e Statistica* 2007.

Martin S, **Rice N**, **Jacobs R**, **Smith PC**. The market for elective surgery: Joint estimation of supply and demand. *Journal of Health Economics* 2007;26(2):263-285.

Mason A, **Weatherly H**, Spilsbury K, Golder S, Arksey H, Adamson J, et al. The effectiveness and cost-effectiveness of respite for caregivers of frail older people: a systematic review. *J Am Geriatr Soc*. 2007;55(2):290-299.

Ossa DF, Briggs A, McIntosh E, Cowell W, Littlewood T, **Sculpher M**. Recombinant erythropoietin for chemotherapy-related anaemia. *Pharmacoeconomics*. 2007;25:223-37.

CHE has a research paper series which gives early release of research findings. The following have been published in 2007 and are free to download

<http://www.york.ac.uk/inst/che/publications/publicationsbyyear.htm>

RP22 Modelling heterogeneity in patients' preferences for the attributes of a general practitioner appointment

RP23 Measurement of non-market output in education and health

RP24 The link between health care spending and health outcomes... evidence from English programme budgeting data

RP25 Reference pricing versus co-payment in the pharmaceutical industry: price, quality and market coverage

RP26 Hospital financing and the development and adoption of new technologies

RP27 Reference pricing versus co-payment in the pharmaceutical industry: firms' pricing strategies.

Policy Discussion Briefing Composite Performance Measures in the Public Sector.

Conferences

Royal Statistical Society Conference Statistics and public policy-making: hope vs. reality

This year the Royal Statistical Society is holding its annual conference at the University of York between **16 and 20 July**. The 2007 conference aims to address a wide range of topical issues, taking a realistic view of how statistical science has had, is having, and might have, more impact on the way government policy is set and monitored both in the UK and around the world. Researchers from CHE have played an active role on the conference scientific committee, and will be presenting several papers. There will be a strong theme of health and health policy at the conference, including plenary presentations by Professor Denise Lievesley (Chief Executive, NHS Information Centre), Professor Sir Ian Kennedy (Chairman, Healthcare Commission) and Professor Sir Michael Rawlins (Chairman, NICE).

Further details can be found at <http://www.rss.org.uk/main.asp?page=2754>

Evaluating health policy: new evidence from administrative data Conference 20 September 2007 Heslington Hall, Room H21, University of York

Conference Speakers

Peter Smith (University of York), Andrew Street (University of York), Matt Sutton (University of Aberdeen), Carol Propper (University of Bristol), Richard Cookson (University of York), Will Cavendish (Department of Health)

Admission is free and lunch will be provided for all participants. For more information about this conference please contact Evie Norman: evie.norman@bristol.ac.uk.

This conference is organised in conjunction with the Centre for Market and Public Organisation at Bristol University and is funded by the ESRC under the Public Services Programme, under which CHE has received four funded projects.

CHE Seminar Series

Date: Thursday 5 July
Time: 2.00pm to 3.15pm
Venue: ARRC Auditorium RC/014
Speaker: **Professor Stephen Birch**,
Department of Clinical Epidemiology
and Biostatistics, and Centre for
Health Economics and Policy
Analysis, McMaster University,
Ontario.

Title: *Being naughty about NICE?*

Date: Wednesday 12 September
Time: 3.00pm to 4.30pm
Venue: A/A/019-020
Speaker: **Professor Paul Dolan**, Chair in
Economics, Imperial College,
London

Title: *Measuring well-being for public policy: preferences or experiences?*

Visit our website for further details on the CHE Seminar series and our series of specialist seminars in economic evaluation and industrial organisation/health: <http://www.york.ac.uk/inst/che/seminars/index.htm>