



Centre For Health Economics

Health Economics News

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Welcome to the CHE Newsletter

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Latest CHE Research Papers

CHERP 80

Hospital quality competition under fixed prices - **Hugh Gravelle, Rita Santos, Luigi Siciliani** and Rosalind Goudie

CHERP 81

Methods for the estimation of the NICE cost effectiveness threshold - **Karl Claxton, Steve Martin, Marta Soares, Nigel Rice, Eldon Spackman, Sebastian Hinde,** Nancy Devlin, Peter C Smith and **Mark Sculpher**



Prevention of mother to child transmission of HIV in Africa

Researchers: Paul Revill, Simon Walker, Mark Sculpher (CHE), with collaborators from Malawi, USA, UK and Ireland.

About 390,000 infants become infected with HIV annually, 90% of whom are in Africa.

In 2010 the World Health Organization released Guidelines recommending two possible treatment regimes for the prevention of mother to child transmission of HIV when mothers are not in need of treatment for their own health. Our research investigated the cost-effectiveness of these options and other alternatives.

Whereas many countries are moving towards the use of expensive triple drug therapy for all women as a means to prevent transmission from mother to child, the study found that in many cases lower cost alternatives are likely to be cost-effective.

We also found that investing resources in order to improve implementation of cost-effective alternatives, in particular in diagnostics to determine eligibility and in encouraging women to present at health centres early in their pregnancies, is likely to be as valuable as investing directly in the interventions themselves.

The study was presented at the International AIDS Conference in Washington DC on 27 July.

Details can be found here: [www](http://www.york.ac.uk/che/publications)

Professor Mike Drummond

received the first ever honorary doctorate awarded by the institute of Health Policy & Management (iBMG) of the Erasmus University Rotterdam. The honorary doctorate was awarded in October 2012 during the second anniversary symposium of iBMG with the theme 'appropriate care'. The title Doctor Honoris Causa was awarded to Professor Drummond for his significant achievements with regard to economic evaluation of health care treatments and health programmes. He received the honorary doctorate from Rector Magnificus Prof. Henk Schmidt.



On 19 October 2012, he was presented with the John Eisenberg Award, in recognition of exemplary leadership in the practical application of medical decision-making research, by the Society for Medical Decision Making at its annual conference in Phoenix AZ, USA. In his acceptance speech, Professor Drummond highlighted the contribution made by health economics researchers from York and other UK universities to the work of the National Institute for Health and Clinical Excellence (NICE) in the United Kingdom.

Only in research?

Research team: Karl Claxton, Stephen Palmer, Laura Bojke, Susan Griffin, Claire McKenna, Marta Soares and Eldon Spackman

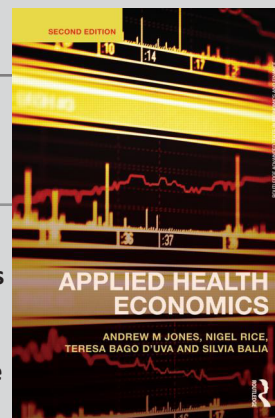
The National Institute for Health and Clinical Excellence (NICE) is increasingly making decisions about health technologies close to licence, when the evidence base is least mature and when there may be substantial uncertainty surrounding their potential value. In these circumstances further evidence may be particularly valuable as it can lead to better decisions that improve patient outcomes and/or reduce costs. However, a decision to approve a technology for routine use in the NHS will also impact on the prospects of acquiring further evidence. The general issue of balancing the value of evidence about the performance of a technology and the value of access to a technology, is central to a number of policy questions.

We sought to establish the key principles to inform when NICE should recommend technologies only in the context of an appropriately designed programme of evidence development (ie, 'only in research'). We also identified whether additional information or analysis should be included in the appraisal process and whether such recommendations are more likely to be implemented. Our findings demonstrate that the type of guidance which is most appropriate depends only partly on an assessment of expected cost-effectiveness and hence this should be regarded only as an initial step in formulating NICE guidance.

Full report can be found at: www.nice.org.uk

Applied health economics (second edition)

by Andrew Jones, Nigel Rice,
Teresa Bago D'Uva and Silvia
Balía



Large-scale survey datasets, in particular complex survey designs such as panel data, provide a rich source of information for health economists. They offer the scope to control for individual heterogeneity and to model the dynamics of individual behaviour. However, the measures of outcome used in health economics are often qualitative or categorical. These create special problems for estimating econometric models. The dramatic growth in computing power over recent years has been accompanied by the development of methods that help to solve these problems. The purpose of this book is to provide a practical guide to the skills required to put these techniques into practice.

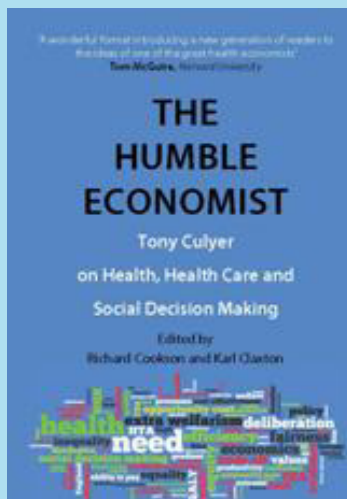
The book is built around empirical case studies, rather than general theory, with an emphasis on learning by example. Relevant methods are presented alongside the Stata code that can be used to implement them and the empirical results are discussed at each stage.

The second edition of *Applied Health Economics* has been revised and updated throughout and includes new chapters on the description and modelling of individual health care costs, thus broadening the book's readership to those working on risk adjustment and health technology appraisal.

Further details www.routledge.com

The humble economist

by Richard Cookson and Karl Claxton



The humble economist collects together the most important writings of Professor Tony Culyer, a founding father of health economics who helped set up the UK National Institute for Health and Clinical Excellence. It distils a powerful set of ideas that have profoundly influenced health policy and decision making, and shows how reason and evidence can be used to improve decision making in any area of social policy. The book comprises twenty-one short essays, selected and revised by Culyer himself, together with an introduction by the editors which draws out key themes and provides an overview of Culyer's life and work.

In order to make the material accessible to a wide audience, the book is available in low cost paperback and ebook formats.

Further details www.routledge.com

Research by an Alan Williams fellow

Cinzia Di Novi from the Department of Economics, Università Ca' Foscari in Venice, Italy was awarded an Alan Williams Fellowship to visit CHE from November 2011 to April 2012. Cinzia undertook research focussing on the influence of flexible working conditions on the mental and general health and well-being of Italian employees, looking at the impact of temporary employment contracts on health and well-being. She found that temporary work contracts have a negative impact on psychological health and happiness, but that results are stronger for young men for whom employment is their primary income, while women receiving economic support from family have higher psychological health. The output from the Fellowship is under review in a journal and is available as a CHE publication:



Carrieri V, Di Novi C, Jacobs R, Robone S. Well-being and psychological consequences of temporary contracts: the case of younger Italian employees. Centre for Health Economics, University of York; CHE Research Paper 79 2012. [www](http://www.york.ac.uk/che)

Staff news, conference and workshop presentations

A number of staff gave presentations at the European meeting of the International Society for Pharmacoeconomics and Outcomes Research in Berlin (3-7 November). This included podium presentations (**Gerry Richardson**), workshop and issue panel presentations (**Karl Claxton**, **Mike Drummond**, **Manuel Espinoza**, **Claire McKenna**, **Steve Palmer**, **Pedro Saramago**, **Mark Sculpher**, **Marta Soares**) and poster presentations (**Miqdad Asaria**, **Rita Faria**, **Susan Griffin**, **Sebastian Hinde**, **Ronan Mahon**, **Claire McKenna**, **Paul Revill**, **Gerry Richardson**, **Eldon Spackman**, **Simon Walker**).

Andrea Manca has been appointed panel member of the NIHR Research Fellowship Programme (Doctoral Research Fellowships) from January 2013 for the next three years. He also attended a two-day N8 meeting on Personalised Medicine held at the University of Durham. The N8 Research Partnership is a collaboration of the eight most research intensive universities in the North of England. He attended a workshop on Stratified Medicine at the University College London. Andrea gave an invited talk at the University of Turin (Italy) on the methods used by NICE to make recommendation decisions regarding new health technologies. Finally, he presented a paper at the annual PCR meeting in London on the cost-effectiveness of transaortic valve in patients unfit for open surgery.

Anne Mason has been invited to join the NIHR Health Services and Delivery Research Programme, Researcher-led panel from January 2013 to December 2016.

Mark Sculpher delivered a talk entitled 'Life in the time of fiscal austerity: what role for economists and outcomes researchers?' at the inaugural meeting of the Portuguese chapter of the International Society for Pharmacoeconomics and Outcomes Research (ISPOR) in October.

Eldon Spackman gave an invited talk 'Uncertainty, evidence and irrecoverable costs: informing approval, pricing and research decisions for health technologies' at the University of Calgary on 27 August and the University of Alberta on 28 August.

Andrew Street gave the plenary address on public health price regulation to the Hospital Association of South Africa (HASA) annual conference, Cape Town, South Africa, 19-21 September 2012.

New funding

Developing indicators of change in the NHS equity performance
Richard Cookson, **Maria Goddard**, **Mark Dusheiko**, **Rita Santos**, **Miqdad Asaria**, **Shehzad Ali**, Rosalind Raine (UCL), Mauro Laudicello (Imperial), Robert Fleetcroft (UEA), Peter Goldblatt (UCL)
1 Jan 2013 - 31 Dec 2015
Funder: NIHR HS&DR

Clinical evaluation of 3T magnetic resonance imaging for the management of patients with coronary heart disease: the CE-MARC 2 Study
Mark Sculpher (Led by the University of Leeds)
1 Aug 2012 - 31 July 2017
Funder: British Heart Foundation

NICE Decision Support Unit
Steve Palmer
1 Apr 2012 - 31 Mar 2015
Funder:NICE

An evaluation of multi-functional magnetic resonance imaging in the diagnosis and characterisation of prostate cancer

Mark Sculpher (Led by University College Hospital)
1 Apr 2012 - 31 Oct 2015
Funder: NIHR HTA

Methods for health technology assessment of medical devices: a European perspective (MedtechHTA)
Mark Sculpher, **Steve Palmer** & **Claire McKenna** (Led by the Università Bocconi, Italy)
1 Jan 2013 - 31 Dec 2015
Funder: European Commission

Developing and evaluating a patient-led, electronic incident reporting scheme for renal patients

Gerry Richardson (Led by the Department of Health Sciences, University of York)
26 Sept 2011 - 25 Sept 2014
Funder: NIHR HTA

Additional funding on the ESHCRU programme for analysing social and health care funding
Bernard van den Berg & **Andrew Street** with LSE & Kent
1 July 2012 - 31 December 2013

Courses and workshops

York expert workshops in the socio economic evaluation of medicines

Quality of Life Workshop Wednesday
19 June - Friday 21 June 2013

Foundations Workshop Monday 24
June - Friday 28 June 2013

Advanced Workshop Monday 1 July -
Friday 5 July 2013

Details available from [www](http://www.york.ac.uk/che)

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