

Microsimulation Sick-Sicker model with time dependency

Includes individual characteristics: age, age dependent mortality probabilities, individual treatment effect modifier, state-residency for the sick (S1) state, increasing change of death in the first 6 year of sickness (tunnel)

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- Jalal H, Pechlivanoglou P, Krijkamp E, Alarid-Escudero F, Enns E, Hunink MG. An Overview of R in Health Decision Sciences. *Med Decis Making*. 2017; 37(3): 735-746. <https://journals.sagepub.com/doi/abs/10.1177/0272989X16686559>
- Krijkamp EM, Alarid-Escudero F, Enns EA, Jalal HJ, Hunink MGM, Pechlivanoglou P. Microsimulation modeling for health decision sciences using R: A tutorial. *Med Decis Making*. 2018;38(3):400-22. <https://journals.sagepub.com/doi/abs/10.1177/0272989X18754513>
- Krijkamp EM, Alarid-Escudero F, Enns E, Pechlivanoglou P, Hunink MM, Jalal H. A Multidimensional Array Representation of State-Transition Model Dynamics. *Med Decis Making*. 2020 Online first. <https://doi.org/10.1177/0272989X19893973>

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```
rm(list = ls())      # clear memory (removes all the variables from the workspace)
```

01 Load packages

```
if (!require('pacman')) install.packages('pacman'); library(pacman) # use this package to conveniently
# load (install if required) packages from CRAN
p_load("here", "dplyr", "devtools", "scales", "ellipse", "ggplot2", "lazyeval", "igraph", "ggraph", "r
# load (install if required) packages from GitHub
# install_github("DARTH-git/dampack", force = TRUE) Uncomment if there is a newer version
p_load_gh("DARTH-git/dampack")
```

02 Load functions

```
source("Functions.R")
```

03 Input model parameters

```
set.seed(1) # set the seed

# Model structure
n_t  <- 30                # time horizon, 30 cycles
n_i  <- 100000            # number of simulated individuals
v_n  <- c("H", "S1", "S2", "D") # the model states names
n_states <- length(v_n)    # the number of health states
d_r  <- 0.03              # discount rate of 3% per cycle
v_dwe <- v_dwc <- 1 / ((1 + d_r) ^ (0:n_t)) # discount weight
v_names_str <- c("no treatment", "treatment") # strategy names
n_str <- length(v_names_str) # number of strategies

### Event probabilities (per cycle)
# Annual transition probabilities
p_HS1 <- 0.15             # probability of becoming sick when healthy
p_S1H <- 0.5              # probability of recovering to healthy when sick
p_S1S2 <- 0.105           # probability of becoming sicker when sick

# Annual probabilities of death
# load age dependent probability
p_mort <- read.csv("mortProb_age.csv")
# load age distribution
dist_Age <- read.csv("MyPopulation-AgeDistribution.csv")

# probability to die in S1 by cycle (is increasing)
p_S1D <- c(0.0149, 0.018, 0.021, 0.026, 0.031, rep(0.037, n_t - 5))
p_S2D <- 0.048            # probability to die in S2

# Cost inputs
c_H <- 2000                # cost of one cycle in the healthy state
c_S1 <- 4000               # cost of one cycle in the sick state
c_S2 <- 15000              # cost of one cycle in the sicker state
c_D <- 0                   # cost of one cycle in the dead state
```

```

c_Trtrt <- 12000          # cost of treatment (per cycle)

# Utility inputs
u_H <- 1                  # utility when healthy
u_S1 <- 0.75              # utility when sick
u_S2 <- 0.5              # utility when sicker
u_D <- 0                  # utility when dead
u_Trtrt <- 0.95           # utility when sick and being treated

```

04 Sample individual level characteristics

04.1 Static characteristics

```

v_x <- runif(n_i, min = 0.95, max = 1.05) # treatment effect modifier at baseline

```

04.2 Dynamic characteristics

```

# sample from age distribution an initial age for every individual
v_age0 <- sample(x = dist_Age$age, prob = dist_Age$prop, size = n_i, replace = TRUE)
# a vector with the time of being sick at the start of the model

# Specify the initial health state of the individuals
# everyone begins in the healthy state (in this example)
# a vector with the initial health state for all individuals
v_M_init <- rep("H", n_i)
v_Ts_init <- rep(0, n_i) # since all individuals start healthy this value is zero for everyone

```

04.3 Create a dataframe with the individual characteristics

```

df_X <- data.frame(ID = 1:n_i, x = v_x, Age = v_age0, n_ts = v_Ts_init) # create a dataframe with an

```

05 Define Simulation Functions

05.1 Probability function

The function that updates the transition probabilities of every cycle is shown below.

```

Probs <- function(M_t, df_X, t) {
  # Arguments:
  # M_t: health state occupied by individual i at cycle t (character variable)
  # df_X: data frame with individual characteristics data
  # t: current cycle

  # Returns:
  # transition probabilities for that cycle

  # create matrix of state transition probabilities
  m_p_t <- matrix(0, nrow = n_states, ncol = n_i)
  rownames(m_p_t) <- v_n # give the state names to the rows

  # lookup baseline probability and rate of dying based on individual characteristics
  p_HD_all <- inner_join(df_X, p_mort, by = c("Age"))
}

```

```

p_HD      <- p_HD_all[M_t == "H", "p_HD"]

# update the m_p with the appropriate probabilities
# transition probabilities when healthy
m_p_t[, M_t == "H"] <- rbind(1 - p_HS1 - p_HD, p_HS1, 0, p_HD)
# transition probabilities when sick
m_p_t[, M_t == "S1"] <- rbind(p_S1H, 1 - p_S1H - p_S1S2 - p_S1D[df_X$n_ts], p_S1S2, p_S1D[df_X$n_ts])
# transition probabilities when sicker
m_p_t[, M_t == "S2"] <- rbind(0, 0, 1 - p_S2D, p_S2D)
# transition probabilities when dead
m_p_t[, M_t == "D"] <- rbind(0, 0, 0, 1)

return(t(m_p_t))
}

```

05.2 Cost function

The Costs function estimates the costs at every cycle.

```

Costs <- function (M_t, Trt = FALSE) {
  # M_t: health state occupied by individual i at cycle t (character variable)
  # Trt: is the individual being treated? (default is FALSE)

  c_t <- 0 # by default the cost for everyone is zero
  c_t[M_t == "H"] <- c_H # update the cost if healthy
  c_t[M_t == "S1"] <- c_S1 + c_Trtr * Trt # update the cost if sick conditional on treatment
  c_t[M_t == "S2"] <- c_S2 + c_Trtr * Trt # update the cost if sicker conditional on treatment
  c_t[M_t == "D"] <- c_D # update the cost if dead

  return(c_t) # return the costs
}

```

05.3 Health outcome function

The Effs function to update the utilities at every cycle.

```

Effs <- function (M_t, df_X, Trt = FALSE, cl = 1) {
  # M_t: health state occupied by individual i at cycle t (character variable)
  # df_X: data frame with individual characteristics data
  # Trt: is the individual treated? (default is FALSE)
  # cl: cycle length (default is 1)

  u_t <- 0 # by default the utility for everyone is zero
  u_t[M_t == "H"] <- u_H # update the utility if healthy
  u_t[M_t == "S1" & Trt == FALSE] <- u_S1 # update the utility if sick
  # update the utility if sick but on treatment (adjust for individual effect modifier)
  u_t[M_t == "S1" & Trt == TRUE] <- u_Trtr * df_X$x[M_t == "S1"]
  u_t[M_t == "S2"] <- u_S2 # update the utility if sicker
  u_t[M_t == "D"] <- u_D # update the utility if dead

  QALYs <- u_t * cl # calculate the QALYs during cycle t
  return(QALYs) # return the QALYs
}

```

06 Run Microsimulation

```
MicroSim <- function(n_i, df_X, Trt = FALSE, seed = 1) {  
  # Arguments:  
  # n_i:      number of individuals  
  # df_X      data frame with individual characteristics data  
  # Trt:      is this the individual receiving treatment? (default is FALSE)  
  # seed:     default is 1  
  
  set.seed(seed) # set the seed  
  
  n_states <- length(v_n) # the number of health states  
  
  # create three matrices called m_M, m_C and m_E  
  # number of rows is equal to the n_i, the number of columns is equal to n_t  
  # (the initial state and all the n_t cycles)  
  # m_M is used to store the health state information over time for every individual  
  # m_C is used to store the costs information over time for every individual  
  # m_E is used to store the effects information over time for every individual  
  
  m_M <- m_C <- m_E <- matrix(nrow = n_i, ncol = n_t + 1,  
                                dimnames = list(paste("ind" , 1:n_i, sep = " "),  
                                                  paste("cycle", 0:n_t, sep = " ")))  
  
  m_M[, 1] <- v_M_init      # initial health state at cycle 0 for individual i  
  
  # calculate costs per individual during cycle 0  
  m_C[, 1] <- Costs(m_M[, 1], Trt)  
  # calculate QALYs per individual during cycle 0  
  m_E[, 1] <- Efts(m_M[, 1], df_X, Trt)  
  
  # open a loop for time running cycles 1 to n_t  
  for (t in 1:n_t) {  
    # calculate the transition probabilities for the cycle based on health state t  
    m_P <- Probs(m_M[, t], df_X, t)  
    # sample the current health state and store that state in matrix m_M  
    m_M[, t + 1] <- samplev(m_P, 1)  
    # calculate costs per individual during cycle t + 1  
    m_C[, t + 1] <- Costs(m_M[, t + 1], Trt)  
    # calculate QALYs per individual during cycle t + 1  
    m_E[, t + 1] <- Efts(m_M[, t + 1], df_X, Trt)  
  
    # update time since illness onset for t + 1  
    df_X$n_ts <- if_else(m_M[, t + 1] == "S1", df_X$n_ts + 1, 0)  
    # update the age of individuals that are alive  
    df_X$Age[m_M[, t + 1] != "D"] <- df_X$Age[m_M[, t + 1] != "D"] + 1  
  
    # Display simulation progress  
    if(t/(n_t/10) == round(t/(n_t/10), 0)) { # display progress every 10%  
      cat('\r', paste(t/n_t * 100, "% done", sep = " "))  
    }  
  }  
  
  } # close the loop for the time points
```

```

# calculate
tc <- m_C %**% v_dwc      # total (discounted) cost per individual
te <- m_E %**% v_dwe      # total (discounted) QALYs per individual
tc_hat <- mean(tc)        # average (discounted) cost
te_hat <- mean(te)        # average (discounted) QALYs

# store the results from the simulation in a list
results <- list(m_M = m_M, m_C = m_C, m_E = m_E, tc = tc , te = te, tc_hat = tc_hat,
               te_hat = te_hat)

return(results) # return the results
} # end of the MicroSim function

# By specifying all the arguments in the `MicroSim()` the simulation can be started
# In this example the outcomes of the simulation are stored in the variables `outcomes_no_tr` and `

# Run the simulation for both no treatment and treatment options
outcomes_no_trt <- MicroSim(n_i, df_X, Trt = FALSE, seed = 1)

## 10 % done 20 % done 30 % done 40 % done 50 % done 60 % done 70 % done 80 % done 90 % done 100 % done
outcomes_trt <- MicroSim(n_i, df_X, Trt = TRUE, seed = 1)

## 10 % done 20 % done 30 % done 40 % done 50 % done 60 % done 70 % done 80 % done 90 % done 100 % done

```

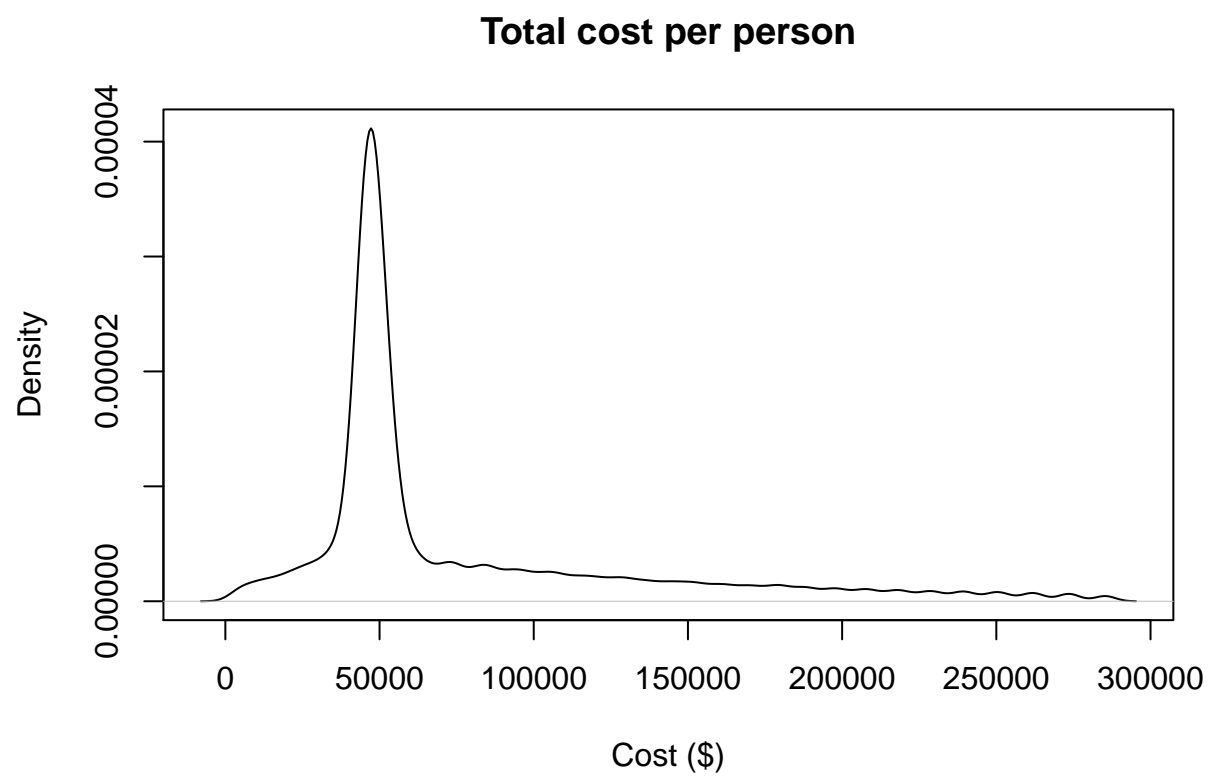
07 Visualize results

```

options(scipen = 999) # disabling scientific notation in R

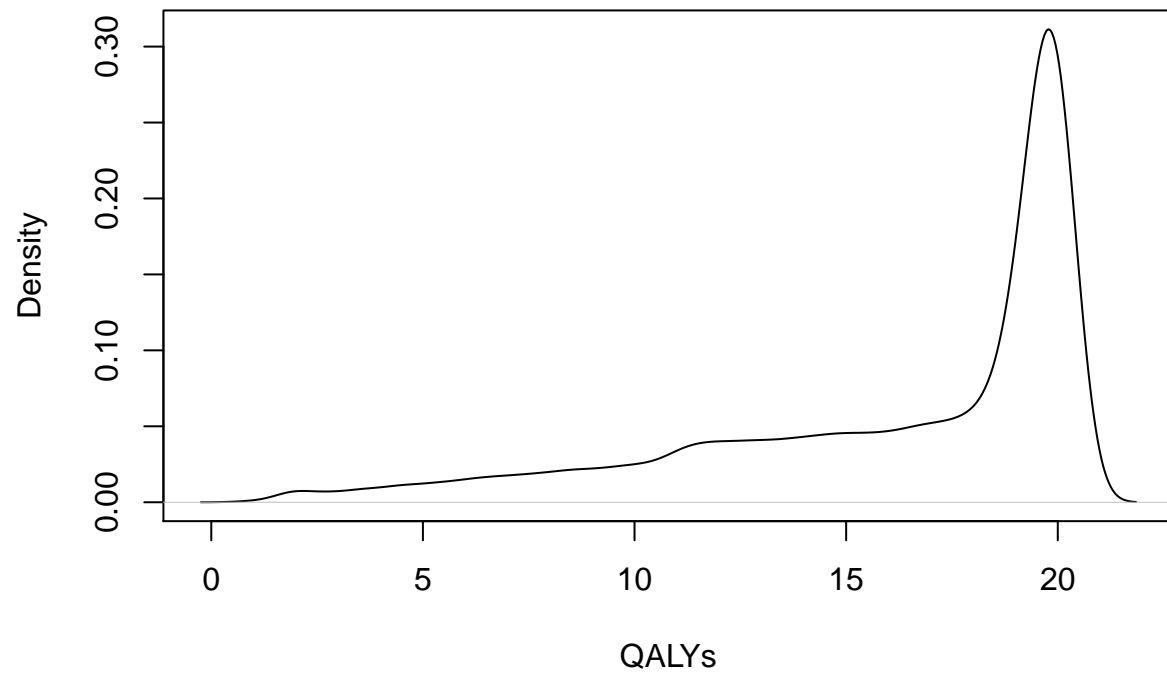
# No treatment
plot(density(outcomes_no_trt$tc), main = paste("Total cost per person"), xlab = "Cost ($)")

```



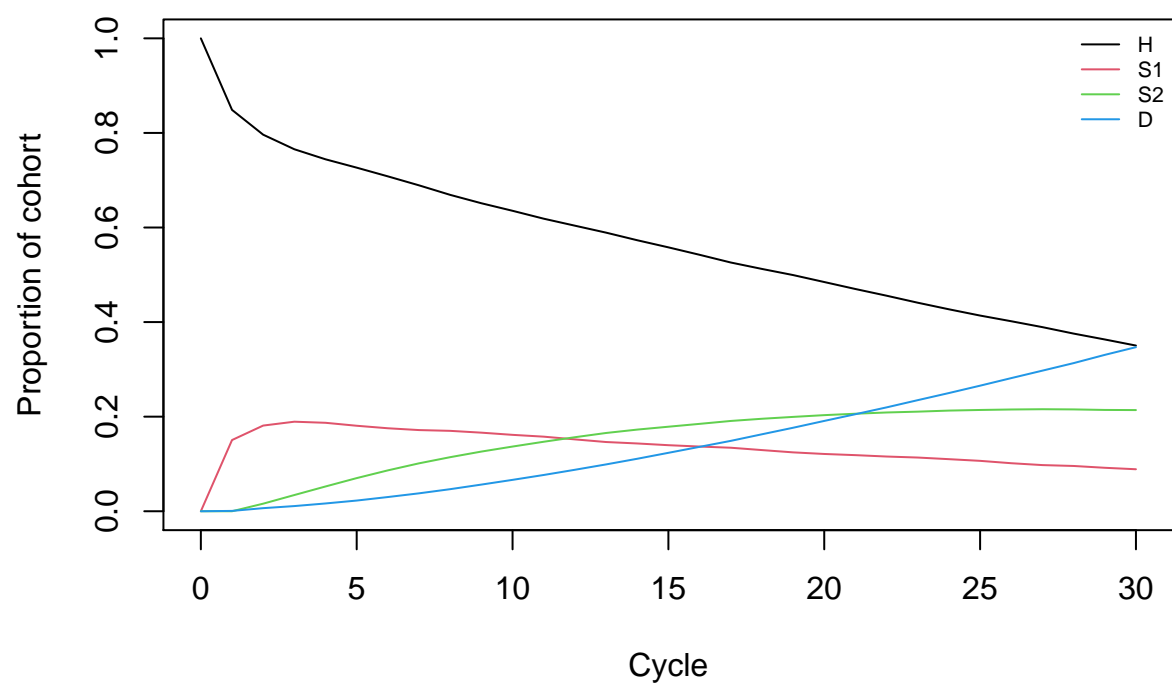
```
plot(density(outcomes_no_trt$te), main = paste("Total QALYs per person"), xlab = "QALYs")
```

Total QALYs per person

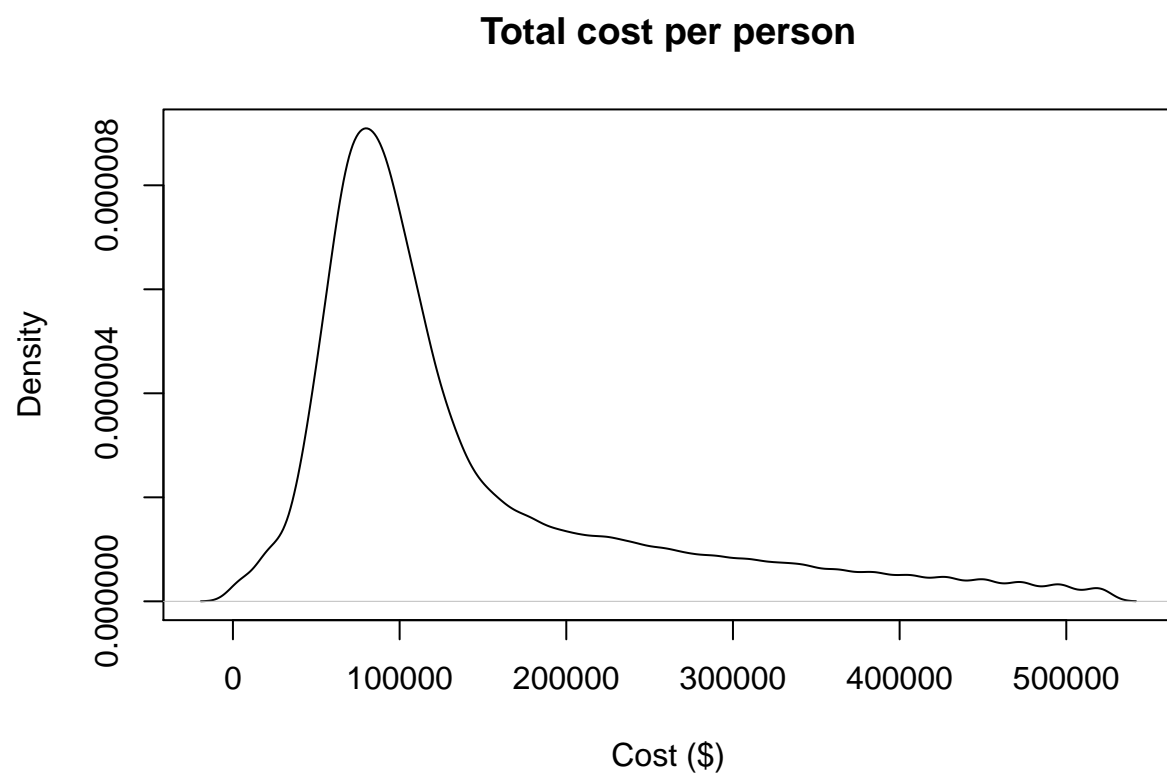


```
plot_m_TR(outcomes_no_trt$m_M) # health state trace
```


Health state trace

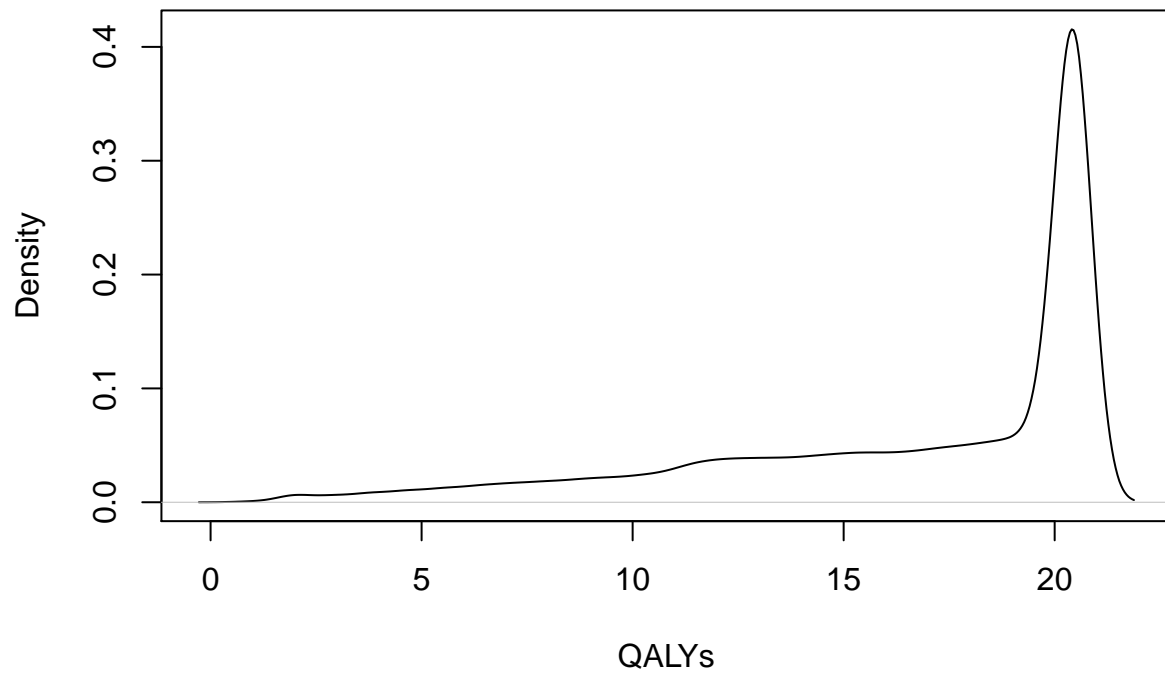


```
# Treatment
plot(density(outcomes_trt$tc), main = paste("Total cost per person"), xlab = "Cost ($)")
```



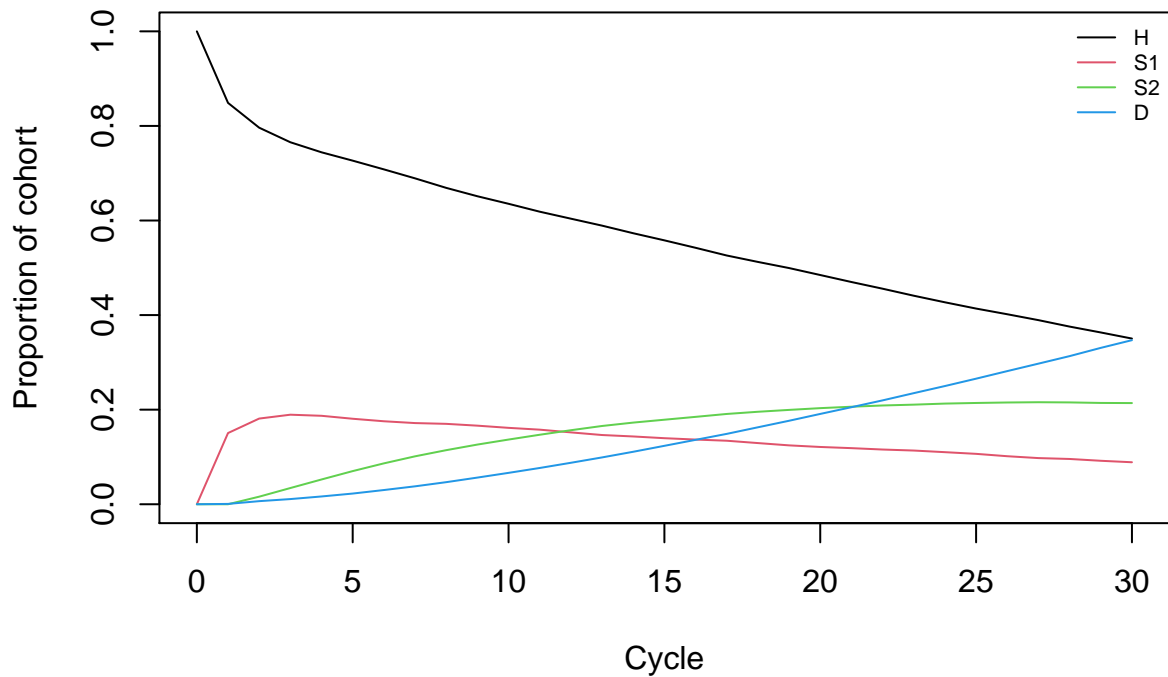
```
plot(density(outcomes_trt$te), main = paste("Total QALYs per person"), xlab = "QALYs")
```

Total QALYs per person



```
plot_m_TR(outcomes_trt$m_M)      # health state trace
```

Health state trace



08 Cost-Effectiveness Analysis

```
# store the mean costs of each strategy in a new variable C (vector of costs)
v_C <- c(outcomes_no_trt$tc_hat, outcomes_trt$tc_hat)
# store the mean QALYs of each strategy in a new variable E (vector of effects)
v_E <- c(outcomes_no_trt$te_hat, outcomes_trt$te_hat)

# use dampack to calculate the ICER
calculate_icers(cost      = v_C,
               effect     = v_E,
               strategies = v_names_str)
```

| ## | Strategy | Cost | Effect | Inc_Cost | Inc_Effect | ICER | Status |
|------|--------------|-----------|----------|----------|------------|----------|--------|
| ## 1 | no treatment | 77752.46 | 16.19202 | NA | NA | NA | ND |
| ## 2 | treatment | 144839.47 | 16.76875 | 67087.01 | 0.576735 | 116322.1 | ND |