## Practical assignment cost-effectiveness acceptability frontier - Solution

X. Pouwels

2021-07-28

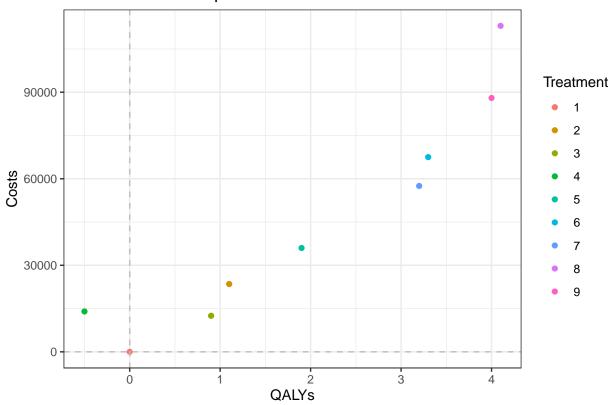
## Assignment and solutions

Treatment	Name	Costs	QALYs
1	No screening (REF)	0	0.0
2	Screening once, at age 40	23500	1.1
3	Screening once, at age 60	12500	0.9
4	Screening once, at age 80	14000	-0.5
5	Screening twice, at age 40 and 60	36000	1.9
6	Screening every 10 years from age 40 to 80	67500	3.3
7	Screening every 10 years from age 50 to 80	57500	3.2
8	Screening every 5 years from age 40 to 80	113000	4.1
9	Screening every 5 years from age 50 to 80	88000	4.0

1. Create a cost-effectiveness plane for the outcomes of interventions 1-9

```
ggplot(data = df_thx, aes(x = QALYs, Costs, colour = Treatment)) +
  geom_point() +
  geom_hline(yintercept = 0, linetype = "dashed", color = "grey") +
  geom_vline(xintercept = 0, linetype = "dashed", color = "grey") +
  ggtitle("Cost-effectiveness plane") +
  theme_bw()
```

## Cost-effectiveness plane



- 1.a. Question: based on this graph, can you already tell which intervention is (extendedly) dominated?
  1.a. **Answer:** On this graph, you can see that 4 is dominated by 1, and that 2 and 5 are probably extendedly dominated by 7, and 6 extendedly dominated by 9.
- 2. Calculate the fully incremental ICERs of these screening strategies against each other
- 2.a. To do so, use the method described in the paper from Paulden (literature list). Using for loops may be required. You can also perform this exercise using a pen and a paper.
- 3. Which interventions are dominated?

```
# Order by increasing number of QALYs
df_thx <- df_thx[order(df_thx$QALYs),]

# Identify dominated strategies
df_thx$Dominated <- NA # create new column to identify dominated strategies

for (i in 1:(nrow(df_thx)-1)) {
   df_thx[i, "Dominated"] <- ifelse(df_thx[i + 1, "Costs"] < df_thx[i, "Costs"], 1, 0)
}</pre>
```

```
df_thx[nrow(df_thx), "Dominated"] <- 0 # strategies with highest health benefits cannot be dominated
kable(df_thx)</pre>
```

	Treatment	Name	Costs	QALYs	Dominated
$\overline{4}$	4	Screening once, at age 80	14000	-0.5	1
1	1	No screening (REF)	0	0.0	0
3	3	Screening once, at age 60	12500	0.9	0
2	2	Screening once, at age 40	23500	1.1	0
5	5	Screening twice, at age 40 and 60	36000	1.9	0
7	7	Screening every 10 years from age 50 to 80	57500	3.2	0
6	6	Screening every 10 years from age 40 to 80	67500	3.3	0
9	9	Screening every 5 years from age 50 to 80	88000	4.0	0
8	8	Screening every 5 years from age 40 to 80	113000	4.1	0

- 3. **Answer:** As you can see in the Table, intervention 4 is dominated, because its health benefits are lower than intervention 1, but its costs are higher.
- 4. Which interventions are extendedly dominated?

# Calculate ICERs for non-dominated strategies.

kable(df\_thx, row.names = F)

```
df_thx$Ext_dominated <- NA # create new column to identify extendedly dominated strategies
df_thx$ICER <- NA # create new column to calculate ICERs identify extendedly dominated strategies
v_nondom <- which(df_thx$Dominated == 0) # vector of non-dominated strategies
df_thx[min(v_nondom), "Ext_dominated"] <- 0 # identify the first intervention in the comparison
df_thx[which(df_thx$Dominated == 1), "ICER"] <- "-"</pre>
df thx[which(df thx$Dominated == 1), "Ext dominated"] <- "-"</pre>
df_thx[which(df_thx$Ext_dominated == 0), "ICER"] <- "-"</pre>
# Calculate ICERs
for (i in 2:length(v_nondom)) {
  df_thx[v_nondom[i], "ICER"] <- round((df_thx[v_nondom[i], "Costs"] - df_thx[v_nondom[i-1], "Costs"])</pre>
df_thx$ICER <- as.numeric(as.character(df_thx$ICER))</pre>
## Warning: NAs introduced by coercion
# Determine extended dominance
for (i in 2:length(v_nondom)) {
    df_thx[v_nondom[i], "Ext_dominated"] <- ifelse(df_thx[v_nondom[i], "ICER"] == "-", 0,</pre>
                                        ifelse(df_thx[v_nondom[i], "ICER"] > df_thx[v_nondom[i + 1], "ICER"]
    )
    }
df_thx[nrow(df_thx), "Ext_dominated"] <- 0 # strategies with highest health benefits cannot be extended
v_ext_dom <- df_thx[which(df_thx$Ext_dominated == 1), "Treatment"] # vector of extendedly dominated str
```

Treatment	Name	Costs	QALYs	Dominated	$\operatorname{Ext}$ _dominated	ICER
4	Screening once, at age 80	14000	-0.5	1	-	NA
1	No screening (REF)	0	0.0	0	0	NA
3	Screening once, at age 60	12500	0.9	0	0	13889
2	Screening once, at age 40	23500	1.1	0	1	55000
5	Screening twice, at age 40 and 60	36000	1.9	0	0	15625
7	Screening every 10 years from age 50 to 80	57500	3.2	0	0	16538
6	Screening every 10 years from age 40 to 80	67500	3.3	0	1	100000
9	Screening every 5 years from age 50 to 80	88000	4.0	0	0	29286
8	Screening every 5 years from age 40 to 80	113000	4.1	0	0	250000

The extendedly dominated strategies are: 2, 6. Calculating the ICERs has to be reiterated without these strategies.

## Warning: NAs introduced by coercion

Treatment	Name	Costs	QALYs	Dominated	Ext_dominated	ICER
4	Screening once, at age 80	14000	-0.5	1	-	NA
1	No screening (REF)	0	0.0	0	0	NA
3	Screening once, at age 60	12500	0.9	0	0	13889

Treatment	Name	Costs	QALYs	Dominated	$\operatorname{Ext\_dominated}$	ICER
2	Screening once, at age 40	23500	1.1	0	1	NA
5	Screening twice, at age 40 and 60	36000	1.9	0	1	23500
7	Screening every 10 years from age 50 to 80	57500	3.2	0	0	16538
6	Screening every 10 years from age 40 to 80	67500	3.3	0	1	NA
9	Screening every 5 years from age 50 to 80	88000	4.0	0	0	38125
8	Screening every 5 years from age 40 to 80	113000	4.1	0	0	250000

The extendedly dominated strategies are now: 2, 5, 6. Calculating the ICERs has to be reiterated without these strategies.

## Warning: NAs introduced by coercion

Treatment	Name	Costs	QALYs	Dominated	${\bf Ext\_dominated}$	ICER
4	Screening once, at age 80	14000	-0.5	1	-	NA
1	No screening (REF)	0	0.0	0	0	NA
3	Screening once, at age 60	12500	0.9	0	0	13889
2	Screening once, at age 40	23500	1.1	0	1	NA
5	Screening twice, at age 40 and 60	36000	1.9	0	1	NA
7	Screening every 10 years from age 50 to 80	57500	3.2	0	0	19565

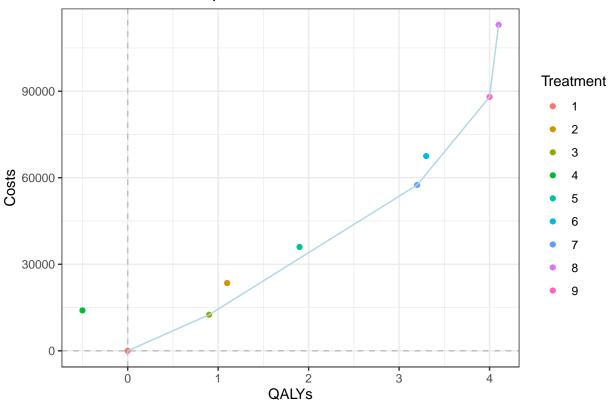
Treatment	Name	Costs	QALYs	Dominated	Ext_dominated	ICER
6	Screening every 10 years from age 40 to 80	67500	3.3	0	1	NA
9	Screening every 5 years from age 50 to 80	88000	4.0	0	0	38125
8	Screening every 5 years from age $40$ to $80$	113000	4.1	0	0	250000

Finally, the extendedly dominated strategies are: 2, 5, 6.

5. Which strategies are on the cost-effectiveness acceptability frontier? **Answer:** The strategies on the CEAF are: 1, 3, 7, 9, 8

```
ggplot(data = df_thx, aes(x = QALYs, Costs, colour = Treatment)) +
  geom_point() +
  geom_hline(yintercept = 0, linetype = "dashed", color = "grey") +
  geom_vline(xintercept = 0, linetype = "dashed", color = "grey") +
  geom_line(data = df_thx[which(df_thx$Dominated == 0 & df_thx$Ext_dominated == 0),], aes(x = QALYs, Co ggtitle("Cost-effectiveness plane with CEAF") +
  theme_bw()
```

## Cost-effectiveness plane with CEAF



6. Which intervention is optimal if the WTP threshold is equal to €20,000/QALY?

Answer: The optimal intervention if the WTP threshold is €20,000/QALY is 7, because its ICER is 19565

- 7. Which intervention is optimal if the WTP threshold is equal to €40,000/QALY?

  Answer: The optimal intervention if the WTP threshold is €40,000/QALY is 9, because its ICER is 38125
- 8. Which intervention is optimal if the WTP threshold is equal to €100,000/QALY?

  Answer: The optimal intervention if the WTP threshold is €100,000/QALY is 9, because its ICER is 38125
- 9. At which WTP threshold would intervention 5 be the optimal intervention? **Answer:** None because it is extendedly dominated.
- 10. At which WTP threshold would intervention 8 be the optimal intervention? **Answer:** When the WTP threshold becomes €250,000/QALY or higher.
- 11. Calculate the Net Monetary Benefit (NMB) for each intervention for a WTP threshold of €20,000/QALY. Which intervention has the highest NMB? Does this correspond with your answer to question 6?

```
# Calculate NMBs
df_thx$NMB <- 20000 * df_thx$QALYs - df_thx$Costs
optim_strat <- df_thx[which(df_thx$NMB == max(df_thx$NMB)), "Treatment"]
kable(df_thx[order(df_thx$NMB, decreasing = TRUE), c("Treatment", "Name", "Costs", "QALYs", "NMB")],
    row.names = F,
    caption = "Net Monetary Benefits for each intervention, ordered in decreasing order")</pre>
```

Table 6: Net Monetary Benefits for each intervention, ordered in decreasing order

Treatment	Name	Costs	QALYs	NMB
7	Screening every 10 years from age 50 to 80	57500	3.2	6500
3	Screening once, at age 60	12500	0.9	5500
5	Screening twice, at age 40 and 60	36000	1.9	2000
1	No screening (REF)	0	0.0	0
2	Screening once, at age 40	23500	1.1	-1500
6	Screening every 10 years from age 40 to 80	67500	3.3	-1500
9	Screening every 5 years from age 50 to 80	88000	4.0	-8000
4	Screening once, at age 80	14000	-0.5	-24000
8	Screening every 5 years from age 40 to 80	113000	4.1	-31000

**Answer:** The optimal intervention using the NMB and a WTP threshold is €20,000/QALY is 7. This answer is similar as the answer to question 6.