Online Advanced Methods for Cost-Effectiveness Analysis

Presentation 1: Analytical Starting Points
1.5: Conclusions

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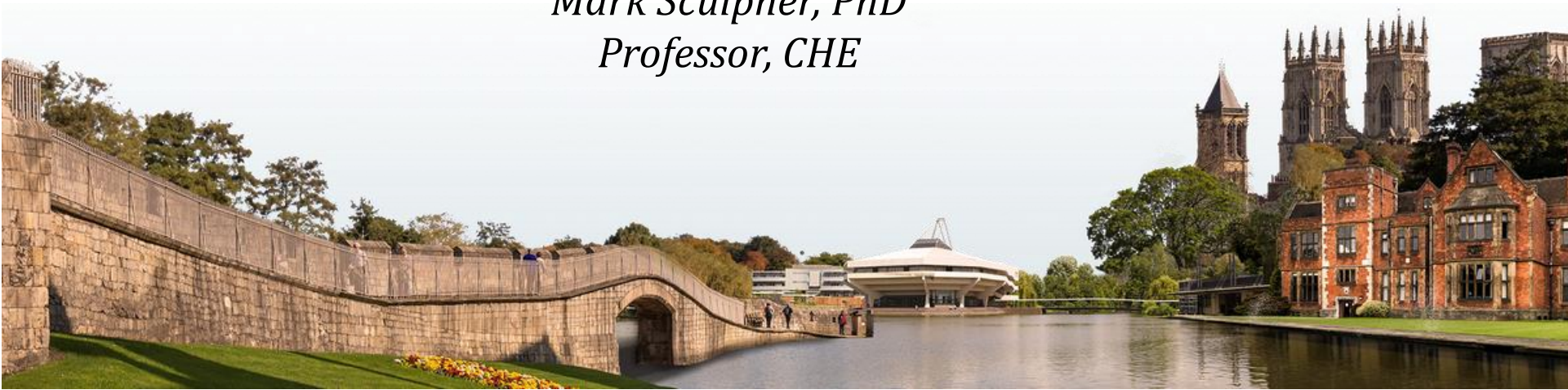

Conclusions

- Consider types of decisions that economic evaluation can inform
  - Policy focus on proprietary technologies
  - Principles can and should apply to all uses of resources
  - Key distinction between adoption and research decisions
- Review appropriate analytical methods
  - Adoption decision needs appropriately specified decision problem
  - Adoption decision rests on key design methods
  - Research decision focuses on reflecting and using uncertainty
- Understand how cost-effective options are established
  - ‘Decision rules’ key to understanding cost-effectiveness
  - More complexity when comparing many options
- Distinguish incremental cost-effectiveness ratios from net benefits
  - ICERs widely used but can be cumbersome
  - Net benefits need an appropriate threshold but have advantages

Further reading

Scope of use of economic evaluation

- Sutton M, Garfield-Birkbeck S, Martin G, Meacock R, Morris S, Sculpher M, Street A, Watson SI, Lilford RJ. Economic analysis of service and interventions in health care. *Health Serv Deliv Res 2018;* vol. 6.

Decision rules and net benefits

- Drummond MF, Sculpher MJ, Claxton K, Torrance GW, Stoddart GL. *Methods for the Economic Evaluation of Health Care Programmes*. 4th ed. Oxford: Oxford University Press; 2015 (Chapter 5).
- Paulden M. Calculating and interpreting ICERs and net benefit. PharmacoEconomics. 2020;38:785-807.

Cost-effectiveness thresholds

- Claxton K, Martin S, Soares M, Rice N, Spackman E, Hinde S, *et al*. Methods for the estimation of the NICE cost effectiveness threshold. *Health Technology Assessment*. 2015;19(14):503.
- Woods B, Revill P, Sculpher M, K. C. Country-level cost-effectiveness thresholds: initial estimates and the need for further research. *Value in Health*. 2016;19:929-35.