

# Health Economic Modeling in R: A Hands-on Introduction

Pre-read materials

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# 1 Introduction

This document outlines the structure and pre-read materials for the ISPOR EU 2025 in-person short course entitled “Health Economic Modeling in R: A Hands-on Introduction”.

The planned itinerary for the course can be found at [ISPOR short course](#).

- 8.00-8.05: Welcome & introductions Felicity Lamrock
- 8.05-9.00: Introduction to R for Health Economics using BCEA Gianluca Baio
- 9.00-10.00: Discrete time Markov models (deterministic) Felicity Lamrock
- 10.00-10.15: **Coffee break**
- 10.15-11.15: Discrete time Markov models (probabilistic) Howard Thom
- 11.15-12.00: Additional Useful Packages for R Modelling (shiny, heesim, rmarkdown) Rose Hart

All parts of the course will have practical demonstrations and exercises for attendees to view in-session and will be available post-session via our combined [GitHub repository](#).

It is recommended that you read through this document prior to attending the short course, and action the necessary points. There are further recommended materials provided; these will be discussed in the course but can be completed after the session by attendees.

## 2 Objectives of short course

1. Understand the advantages of R over Microsoft Excel for health economic modelling
2. Implement deterministic and probabilistic discrete-time cohort Markov models in R
3. Use the BCEA package to generate graphical and statistical summaries of health economic models
4. Understand and be able to use additional useful packages in R to increase user-friendliness and accessibility

## 3 Description summary

This highly practical course will outline the computational and transparency advantages of using R, for those used to health economic modelling using Microsoft Excel. This course explores the use of R for health economic modelling in the context of health economics and outcomes research (HEOR) and faculty will guide the participants through practical examples of HEOR. The faculty are expert speakers who have diverse experience in academia, national Health Technology Assessment agencies (NICE, NCPE), and industry. The faculty will lead participants through practical examples of health economic modelling including using R for Markov models from deterministic analysis through to probabilistic sensitivity analysis and EVPI. Additional useful packages for modelling using R will also be discussed. All sessions will interchange between descriptive lectures and hands-on exercises. Participants will be provided with materials, including model examples in R and information on

where to go for further learning. This course is designed for those with some familiarity with modelling techniques, such as the concepts of discrete time cohort Markov models and probabilistic sensitivity analysis, but familiarity with R coding is not required. Attendees will require a laptop with RStudio (v1.1.0 or higher) and R (v4.2.0 or higher) downloaded and installed.

## 4 Pre-course requirements

### 4.1 Download R and RStudio

This online book ["An introduction to R"](#) is a great place to start with learning R and is not specific to health economics. Please view the [setup](#) page to go through installing R and R Studio on your machines. Please install R version 4.2.0 or higher and RStudio version 1.1.0 or higher. Also, please look at the ‘Introducing RStudio’ video to familiarize yourself with the RStudio layout.

You may find this book useful for continued post-course learning, as it has many great (and free) [tutorials](#) and [exercises](#) for beginners.

### 4.2 Introduction to R coding

We recommend that attendees are familiar with the syntax and basic methods of R coding, such as how to assign variables and knowing the basic data types. Therefore, all attendees who are using R for the first time should undertake a practical introduction to R via DataCamp’s ‘[Intro to basics](#)’ module for hands-on exercises prior to the short course.

### 4.3 Accessing the course materials

#### 4.3.1 Downloading materials

The course materials can be found in our [GitHub repository](#) (at [https://github.com/rhart1/Health-Economic-Modeling-in-R\\_A-Hands-on-Introduction-](https://github.com/rhart1/Health-Economic-Modeling-in-R_A-Hands-on-Introduction-)). It is recommended that materials are accessed after 25th March 2025 as they will be the most up to date before the session whilst giving you enough time to prepare and install packages ahead of the session.

If attendees have a GitHub account and are happy with cloning or forking a project to their own accounts, then feel free to do so. For those without a GitHub account, all project materials can be downloaded via a ZIP folder as indicated in the image below. GitHub is recommended but optional; it is useful for code version control and managing projects in any coding language. Further details can be found in ‘Other pre-course materials’.

#### 4.3.2 Opening materials

Once attendees have the materials folder via ZIP or GitHub, the project needs to be opened in RStudio as a **project**. For those who are unfamiliar with project files, they are self-contained work areas that can be managed by version control software (Git). When a user opens a project, the working directory (file location) is set automatically to the location of the project, meaning that

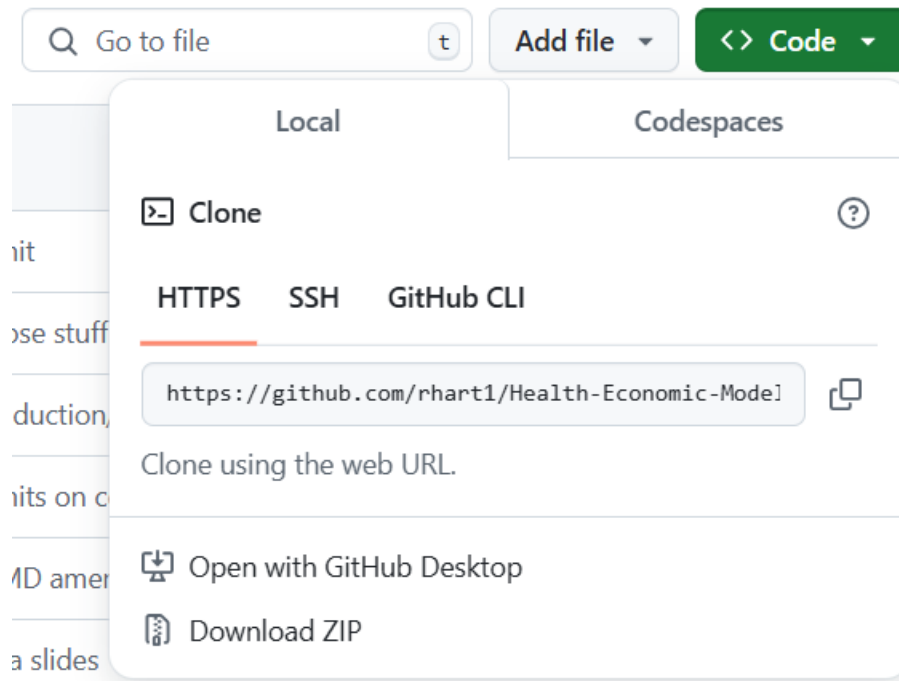


Figure 1: These are the options for accessing the materials, which can be found on the GitHub repository page

scripts that reference other scripts (this is common in shiny apps or markdown documents, and will be covered in the ‘Additional useful packages’ part of the course).

To open the materials as a project, within RStudio, please go to ‘File’ -> ‘Open project in New Session’, then find the location where you have the materials file saved. You need to click on the ‘.Rproj’ file.



Figure 2: The ‘.Rproj’ file is likely to have this logo

### 4.3.3 Downloading required packages

Once opened, if this is the first time opening then you will need to run the init.R script.

The init.R script has a code that checks the packages that are already installed. It will then download and install all the packages that are required for the short course that are missing and will then load all packages. If you have not previously used R, then this may take a few minutes. If you have used R before and have many of the packages installed, then please update your existing

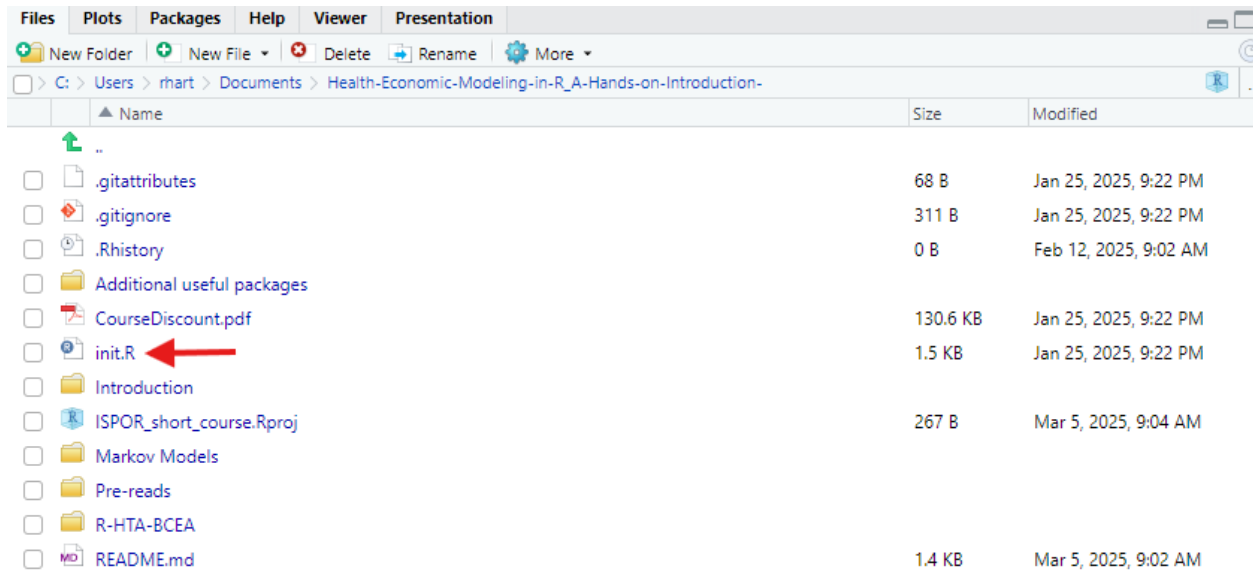


Figure 3: The init.R script is in the project folder at the top level

packages by going to ‘Tools’ -> ‘Check for package updates’ in RStudio to update to the most recent version.

Once those are downloaded then you are ready for the short course.

#### 4.3.4 On the day

Some of the short course sessions will be running through code live, so on the day it would be best if all attendees have the R project with the short course materials downloaded and open, even if not all the packages have been successfully installed.

## 5 Other pre-course materials (optional)

In this section is additional reading to complement some of the above instructions. It is recommended as prior reading but is optional. Alternatively, it can be completed after the course to flesh out some of the practical details for using R for health economics projects.

### 5.1 What is a package and how to install one

This [DataCamp guide](#) gives a useful overview of what packages are, how they can be used, how to install them and an explanation into some of the language used when talking about R.

### 5.2 Background and instructions for GitHub

As mentioned previously, Git is software that manages version control for code, and GitHub is the interface to view and manage the changes over time. This [online GitHub guide](#) is useful for

detailing how to use Git and takes the reader through creating a repository, branching and making changes.

Additionally, the [setup](#) guide referenced in the ‘Download R’ section above also mentions GitHub and R Markdown in the ‘Optional Software’ section for some background and useful reading.