

Approaches to Economics in Public Health

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Why economics?

- It's the economy stupid!
- Money needs saving
- Priorities need shifting
- Business cases need making
- Decision-makers need convincing ..

Economic strengths of PH

- Usually cheap to deliver (per head)
- Cost-effective (88% studies < £20k per QALY)
(Fordham, 2008)
- Good Return on Investment to health: 5.6:1
(Richardson, 2012)
- Wider social returns apparent
- Impacts large

Weaknesses

- Perceived and real barriers to investment in PH (Richardson, 2012)
- No agreed economic evaluation methodologies (Phillips et al, 2012)
- Implementation: standardizing interventions, 'doses' and populations
- Evidence: wide variability in quality, scope and estimates of CE estimates
- Equity v. efficiency trade-offs

CHD prevention: cost per QALYs

Table 4: CHD and circulatory diseases

Intervention	Cost (£)/QALY (range)
Interventions to lower cholesterol ⁵⁵	<359 (per DALY averted)
Risk factor intervention in 60+yo men ⁵⁶	1,059 - 12,839
Cholesterol reduction strategies ⁵⁷	1,267 - 157,333
CHD risk factor reduction ⁵⁸	2,286 - 67,857
Extended coagulation for <u>thromboembolism</u> ⁵⁹	2,887 - 8,555
Community screening for <u>atrial fibrillation</u> ⁶⁰	4,396 - 5,495
2° prophylaxis of venous t/embolism ⁶¹	4,702 - 20,165
Quick screen for abdominal aneurysms ⁶²	7,269
Screening for abdominal aortic aneurysms ⁶³	7,722
Screening for DVTs ⁶⁴	9,731
Screening for depressed LVS function ⁶⁵	12,253 - 42,692
Prevention of CVD (new drug) ⁶⁶	18,468
Screening for 1° prevention of low lipids ⁶⁷	25,509 - 56,527
Pharmacological cholesterol lowering strategies ⁶⁸	27,777
Cholesterol lowering drug therapy (1° prevention) ⁶⁹	28,571 - 71,429

Diabetes prevention: cost per QALYs

Table 5: Diabetes

Intervention	Cost (£)/QALY (range)
Screening for gestational diabetes ⁷⁰	3 - 109
Lifestyle intervention ⁷¹	611 - 4,889
Prevention of diabetic nephropathy ⁷²	3,879 - 8,908
Foot ulcer prevention ⁷³	<6,135
Diabetic retinopathy screening ⁷⁴	6,667 - 16,444
Mass screening Type-2 diabetes (2&5 yearly) ⁷⁵	7,522 - 12,738
Screening for Type 2 diabetes ⁷⁶	7,903 - 247,253
2° Lifestyle programme ⁷⁷	13,611 - 19,666
Lifestyle intervention v. <u>metformin</u> ⁷⁸	16,228 - 20,958
Lifestyle programme (before onset of disease) ⁷⁷	34,444 - 79,444

Opportunities

- Working across health & social care opens up new returns on investment
- H&W Boards able to redress prevention/cure balance
- Decision makers like RoI (Phillips et al, 2010)
- Technical advances in economic modeling (eg. Markovs and micro-simulations)

Threats

- Budget cuts
- Short-termism
- Commissioning only for sick today
- Triple-hurdle:
 - Save money (now)
 - Cost-effective
 - & Equitable

Solutions

- Don't be afraid to make economic cases
- Use tools that show PH saves money and/or has other non-monetary benefits
- Build-in HE analysis to intervention/evaluations
- Bottom out what is the definition of 'return on investment' in public health?

References

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