

# The greatest happiness of the greatest number? Experience use of economic evaluation evidence to inform policy decisions

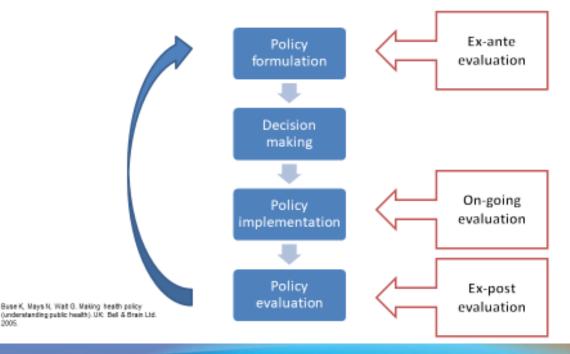
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## Recap from the June seminar



- "Waste costs lives" and it is morally right to consider economic aspects of health investment
- Economic evaluation = "comparing costs and outcomes of alternative choices"
- The evaluation can used to inform policy at various stage of policy process

#### Policy cycle model





Debate





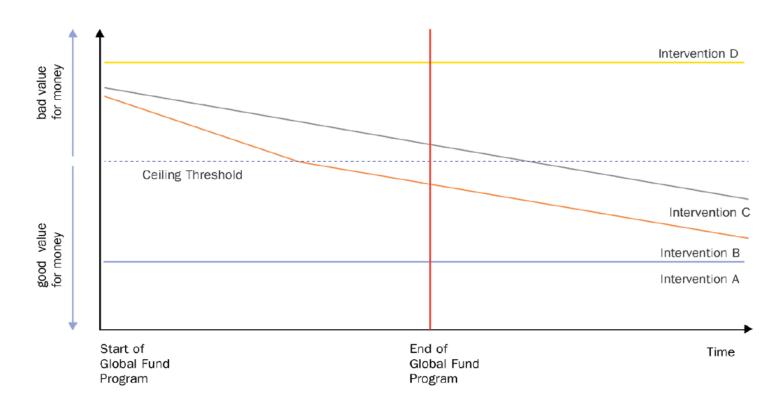


How Should Global Fund Use Value-for-Money Information to Sustain its Investments in Graduating Countries?



Kitti Kanpirom<sup>1</sup>, Alia Cynthia G. Luz<sup>2\*</sup>, Kalipso Chalkidou<sup>3</sup>, Yot Teerawattananon<sup>4</sup>

#### Dynamic aspect of cost-effectiveness of a particular health technology





# In this seminar, we will learn....

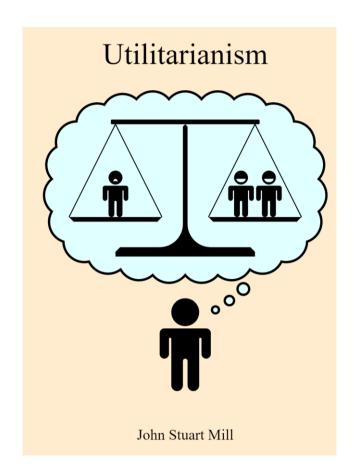
- The difficulties of using economic evaluation to inform health policy decisions
- Other evidence influencing health coverage decisions



## **Utilitarianism**

 An ethical philosophy in which the happiness of the greatest number of people in the society is considered the greatest good

Mill (1863) Utilitarianism





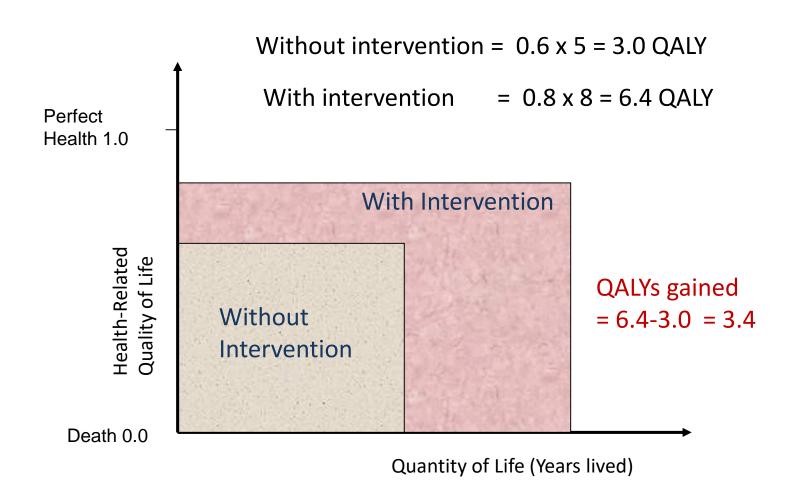
# Health maximization concept

- Economic evaluation is one of an application of utilitarianism
- Quality Adjusted Life Years (QALYs) represent 'happiness'
- Economic evaluation = QALY maximizing tool





#### **QALY** calculation







# Is a QALY a QALY?





A: Give to 20 year- old

B: Give to 60 year- old





A: Give to 20 year- old who are drug addicted and murder

B: Give to 60 year- old who are a university professor





A: Give to 20 year-old with no dependence

B: Give to 30 year-old female with a baby





A: Give to 30 year- very rich

B: Give to 30 year- very poor





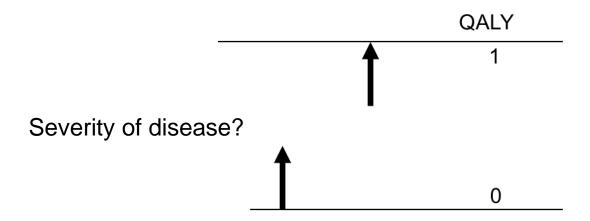
A: Give to 30 year-old who are in waiting list for 1 month

B: Give to 30 year-old who are in waiting list for 5 years



## Social value in health policy

- Population characteristics e.g. age, gender, education, social status etc.
- Disease severity





#### Budget impact and equity are among important factors influencing Thai coverage decisions

#### Ceiling threshold = THB160,000 /QALY

Study	Finding	Budget impact	Recommendation by researchers	SCBP decision
Implant dentures for people who have problems with conventional complete dentures	Cost-effective	Low	Not included in the benefit package because problems of accessing to standard treatment of dental care were still unsolved	Not included
Screening for Down syndrome in the second trimester of pregnancy	Cost-saving	Low	Included in the benefit package	Included
Disposable adult diapers for urinary and fecal incontinence with/without physical impairment	Cost-effective	Very high	Even though the intervention has a high budget impact but ethical issue should also be considered.	Not included

Mohara et al. 'Using health technology assessment for informing coverage decisions in Thailand' 5 Mar 2012<a href="https://doi.org/10.2217/cer.12.10">https://doi.org/10.2217/cer.12.10</a>
Teerawattananon Y, Kingkaew P, Koopitakkajorn T, et al. Development of a Health Screening Package Under the Universal Health Coverage: The Role of Health Technology
Assessment. Health Economics. 2016;25(Suppl 1):162-178. doi:10.1002/hec.3301.

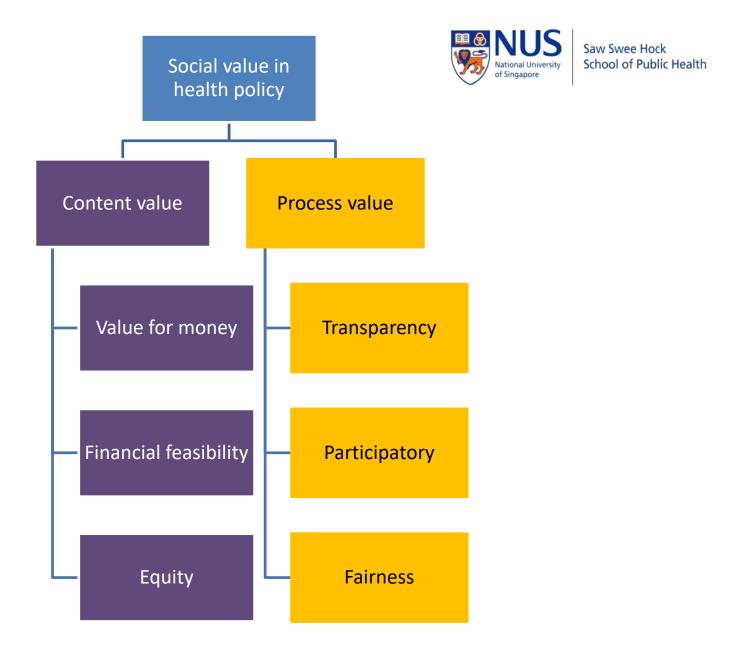
Youngkong S et al. (2012) Multicriteria decision analysis for including health interventions in the universal health coverage benefit package in Thailand.

Health Intervention Technology Assessment Program (HITAP)



# **Discussion points**

Are there any other social values related to health policy?





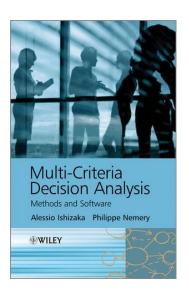
# **Discussion points**

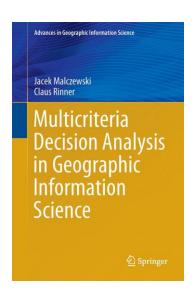
- Are there any other social values related to health policy?
- What should we do with these social values in generating evidence to inform policy?
- Whether and how to integrate these social values into economic evaluation?

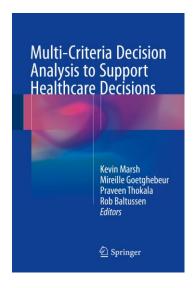


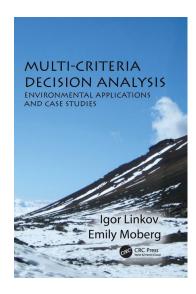
## The next seminar: Can we be more systematic?

- Extended Cost-Effectiveness Analysis (ECEA)
- Multi-Criteria Decision Analysis (MCDA) + hand-on exercise!









TRAINING AND SYMPOSIUM ON HEALTH TECHNOLOGY ASSESSMENT: SELECTING THE RIGHT CARE!

8-10 JANUARY 2019
NATIONAL UNIVERSITY OF SINGAPORE





Saw Swee Hock School of Public Health



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