

Current Challenges in Health Economics

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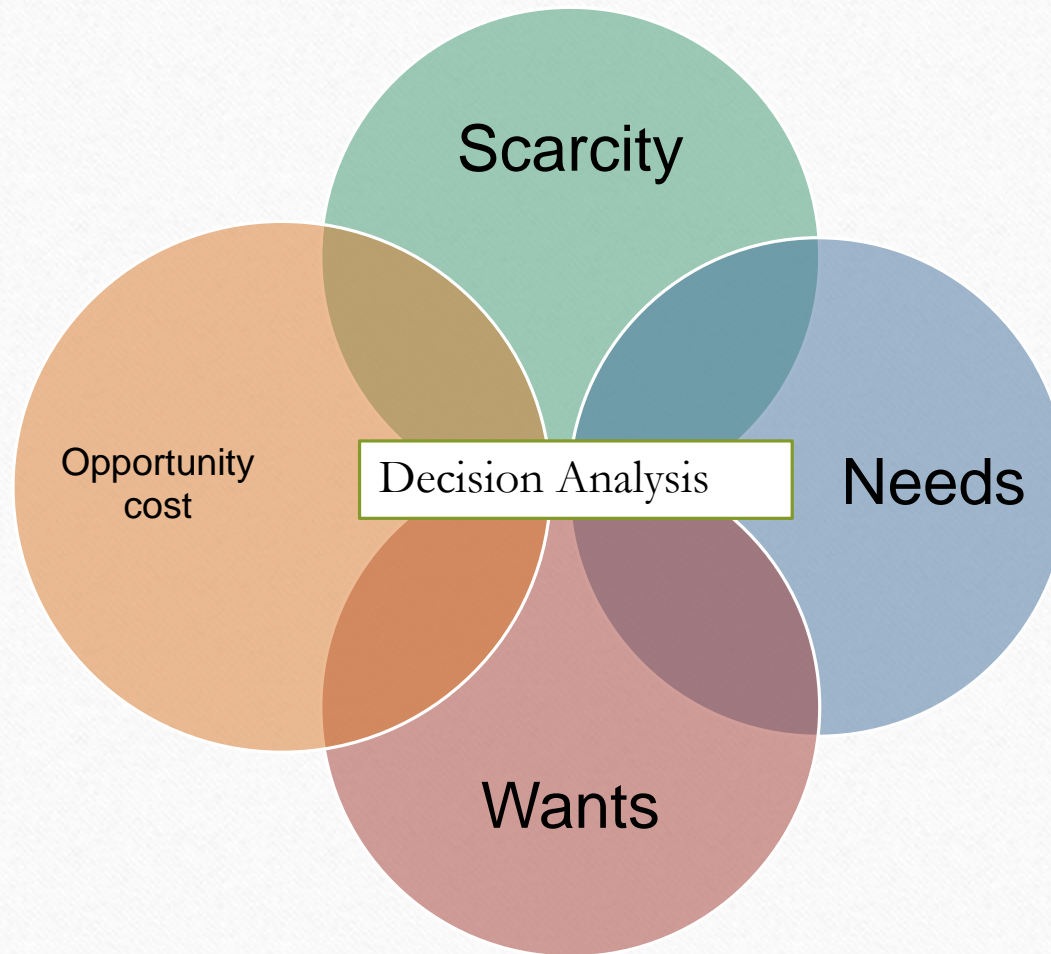
Topics of my talk

- What is Health and Clinical Economics and its principles.
- Types of Health Economics
- Costs and types and Discounting
- Decision analysis
- Types of economic evaluation
- Sensitivity analysis

What is Health?

- According to WHO constitution health is a state of complete physical, mental and social well being and not merely the absence of disease or infirmity
- “Health in health economic evaluation is health status according to some measures of resources available input for health and health-status outcomes.
- Economics deals with use of scarce resources to satisfy human wants and needs how best to use the resources available.

Principal of Economic evaluations



Health and Economics

- Health

- Human behavior
- Science
- Hospital, clinic, nursing-home, Home health care
- Patients- Relatives and Health Providers

- Economics

- Human behavior
- Science
- Market
- Buyer and Seller

Health care market

- กลุ่มผู้ให้บริการมีไม่มากกลุ่ม
- บริการทดแทนกันไม่ได้
- ผู้ให้บริการเป็นผู้กำหนดบริการและราคา
- ผู้ซื้อไม่ทราบคุณภาพและชนิดของบริการ
- แทรกแซงโดยรัฐ (Extensive government interventions)
- Intractable uncertainty in several dimension of both input and output data

Supplier induces demand

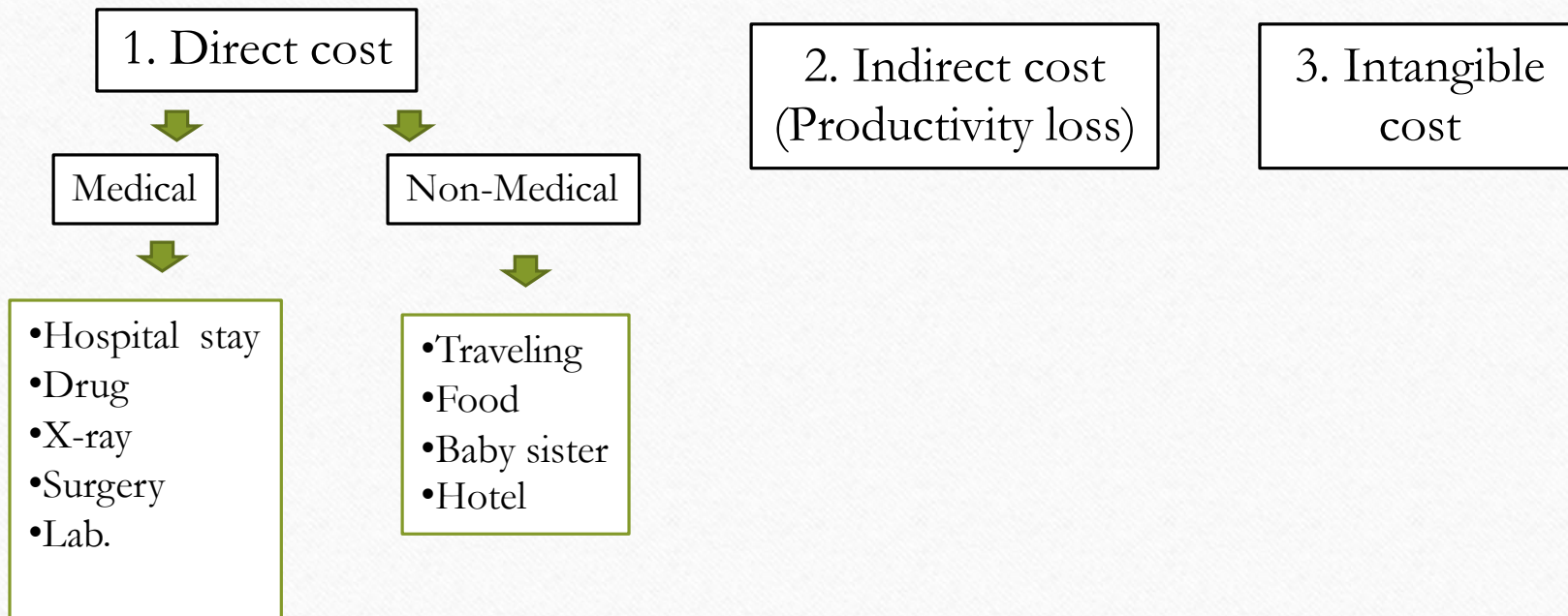
Types of Economics

- Microeconomics : unit cost, program evaluation
- Macroeconomics: Demand and Supply
- Trial-Based (RCT) Economic evaluation
- Modeling-Based Economic evaluation

Costs

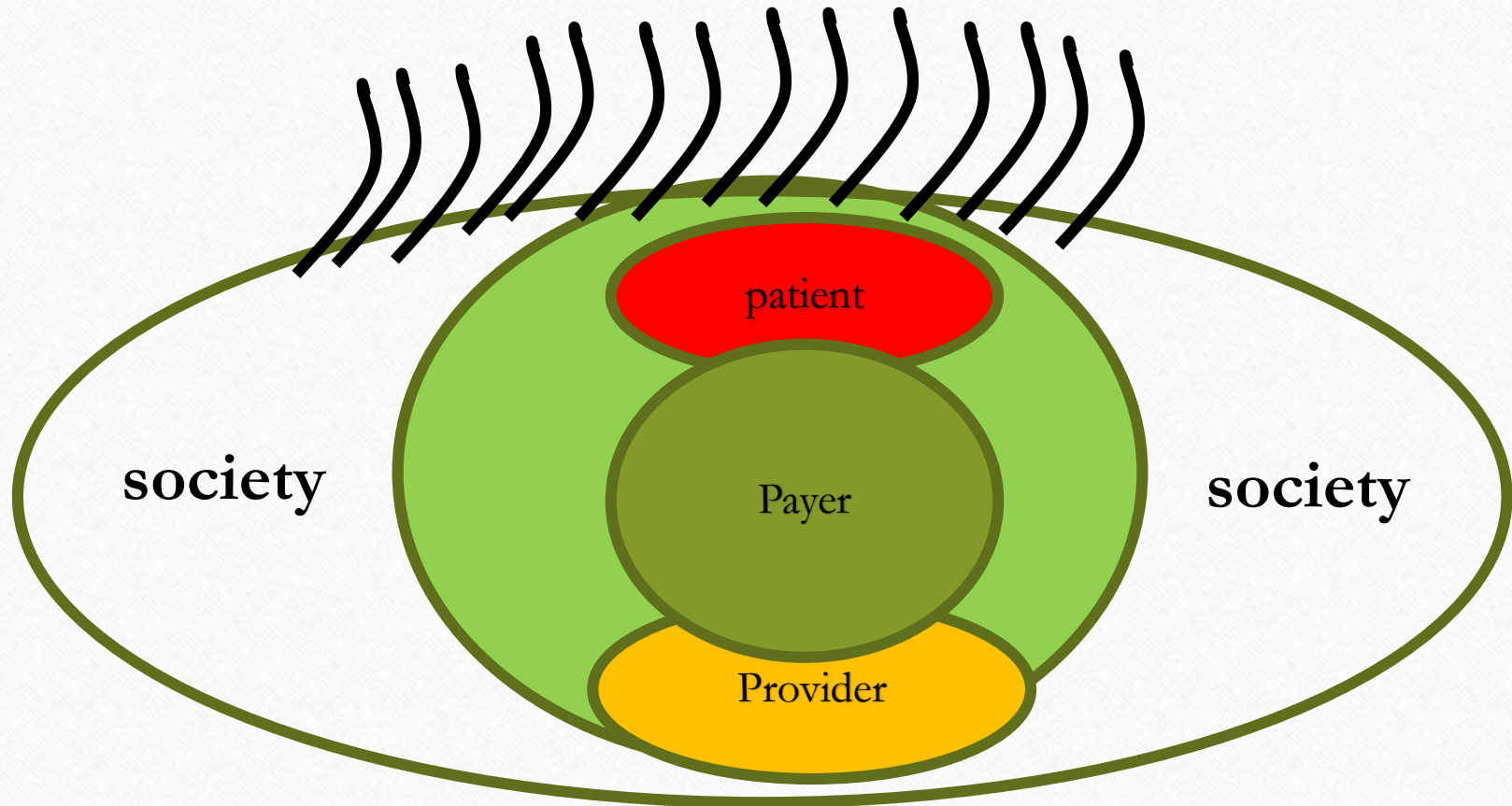
- Medical care cost
- Non-medical care cost
- Cost of productivity loss
- Cost of concerning (intangible cost)

Types of cost



Point of Views

- Patient
- Provider
- Payer
- Society



How to do cost analysis

1. Identify
2. Measure
3. Value

Unit cost analysis in a university hospital: an example from Srinagarind Hospital, Khon Kaen.

Vatanasapt V, et al. J Med Assoc Thai. 1993.

Authors

Vatanasapt V¹, Kosuwon W, Pengsaa P.

Author information

¹ Department of Surgery, Khon Kaen University, Thailand.

Citation

J Med Assoc Thai. 1993 Dec;76(12):647-53.

Abstract

This is the first analytic study to identify the unit cost in the University Hospital using the standard method of analysis in health economics. The unit costs in the report can be used to calculate the cost of each service for any disease. The costs of the hospital administration cost center and the supportive cost center were both allocated to the patient care service center by the simultaneous allocation method. The cost of teaching personnel was excluded from the analysis because it is quite difficult to estimate and different from the ratio of teaching costs to



The screenshot shows the website for the Srinagarind Medical Journal. The header includes the journal's logo (SMJ Srinagarind Medical Journal) and navigation links for Home, Current issue, Past issues, and Topic collect. A search bar is also present. The main content area displays the title of the article in red: "THE TRUE COST OF RECYCLE SYRINGE COMPARED WITH DISPOSABLE SYRINGE AT SRINAGARIND HOSPITAL". Below the title is the Thai title: "การเปรียบเทียบต้นทุนที่แท้จริงของกระบอกฉีดยาชนิดแก้วกับชนิดพลาสติก" and the authors: "Weerachai Kosuwon (วิชาชีพ โควสุวรรณ) 1, Pensri Kosuwon (เพ็ญศรี โควสุวรรณ) 2". The abstract text is in Thai, discussing a comparative study of recycled and disposable syringes at Srinagarind Hospital in 1987. It mentions that the total cost of recycled syringes was 566,632 baht per year, while disposable syringes cost 1,808,850 baht per year. The abstract concludes that the use of recycled syringes is more economically than that of disposable syringes.

Cost analysis

- Cost is not a charge :

| Item | cost | charge |
|-------------------|------|--------|
| CBC | 102 | 68 |
| Private ward (19) | 1358 | 980 |
| Appendectomy | 5890 | 1500 |

Nursing care cost

| Identify | Measure | value |
|--------------|---|-----------------------|
| Nursing care | <ul style="list-style-type: none">•Working time (min)•Workload (NDNQI and ANA)<ol style="list-style-type: none">I. ICUII. OperatingIII. AE | Salary Baht/minute |

NDNQI : National Database of Nursing Quality Indicator
ANA: American Nurses Association

The costs of intensive care

J Seidel PhD (D) FRCA

PC Whiting FRCA

DL Edbrooke FRCA

Table 1 Cost components used in the studies reviewed by Gyldmark¹

-
- | | | |
|----------------|---------------------|----------------------|
| • Overheads | • Medical time | • Nursing time |
| • Other staff | • Disposables | • Theatre |
| • Medicine | • Nuclear medicine | • Blood bank |
| • Radiology | • Ultrasound | • Biochemistry |
| • Microbiology | • Kitchen equipment | • Non-hospital costs |
-

Discounting in Economic Evaluations

Health care interventions incur costs and outcomes over a number of years. Discounting seeks to take into account the impact of time on how those costs and outcomes are valued.

“In general, individuals prefer to experience a good health status or consume a product now relative to doing so in the future.”

The present value of future costs or outcomes is estimated by adjusting them using the discount rate, where X is the cost or outcome of interest, r is the discount rate, and t is the number of years into the future X occurs:

$$\text{Present Value} = \frac{X}{(1+r)^t}$$

The discounted present value of a cost or outcome of a given amount is lower the further into the future we discount.

Table 1: Hypothetical Cancer Screening Promotion

| Year | Costs (\$) | Benefits (\$) undiscouted | Benefits (\$) in 2014 values (r=5%) | Benefits (\$) in 2014 values (r=10%) |
|--------------------|------------|---------------------------|-------------------------------------|--------------------------------------|
| 2014 | 450 | 100 | 100 | 100 |
| 2015 | | 100 | 95 = 100/(1+0.05) ¹ | 91 = 100/(1+0.10) ¹ |
| 2016 | | 100 | 91 = 100/(1+0.05) ² | 83 = 100/(1+0.10) ² |
| 2017 | | 100 | 86 = 100/(1+0.05) ³ | 75 = 100/(1+0.10) ³ |
| 2018 | | 100 | 82 = 100/(1+0.05) ⁴ | 68 = 100/(1+0.10) ⁴ |
| Total | | 500 | 455 | 417 |
| Net Benefit | | 50 | 5 | -33 |

Notes: r is the discount rate.

Superscripts represent t , being the number of years from the current year – 2014 – to which the numerator is raised to the power of.

Table 2: Guidelines on Discounting in Selected Countries

| Country | Discount rate | | |
|-------------------------------------|------------------------------|------------------------------|------------------------|
| | Costs | Health Outcomes | Sensitivity analysis |
| Australia (PBAC) ¹⁰ | 5% | 5% | 0% |
| UK (NICE)** ¹¹ | 3.5% | 3.5% | 1.5% |
| France ⁹ | 4% < 30 years, 2% ≥ 30 years | 4% < 30 years, 2% ≥ 30 years | 0% to 6% |
| Netherlands (CVZ) ⁸ | 4% | 1.5% | 0% |
| Germany (IQWiG) ¹² | 3% | 3% | 0, 5, 7 and 10% |
| Finland ¹³ | 3% | 3% | 0% |
| Portugal ¹⁴ | 5% | 5% | 0% for health outcomes |
| Canada (CADTH) ¹⁵ | 5% | 5% | 0% and 3% |
| New Zealand (PHARMAC) ¹⁶ | 3.5% | 3.5% | 0, 5 and 10% |

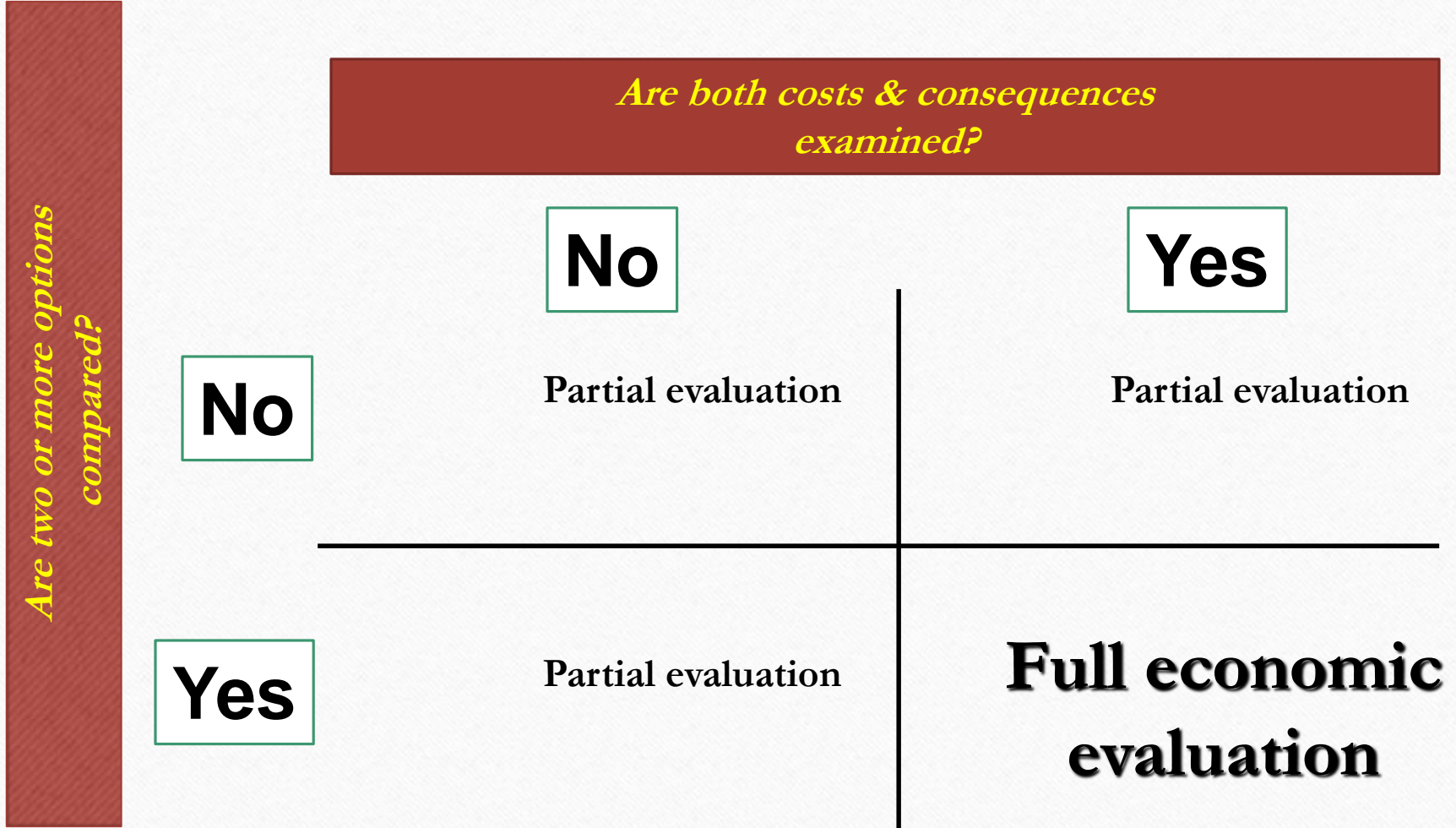
Abbreviations: CADTH denotes Canadian Agency for Drugs and Technologies in Health, CVZ College Voor Zorgverzekeringen, IQWiG Instituts für Qualität und Wirtschaftlichkeit im Gesundheitswesen, NICE National Institute for Health and Care Excellence, PBAC Pharmaceutical Benefits Advisory Committee, PHARMAC Pharmaceutical Management Agency.

- Standard practice (Evan & Hurley 1995) discount rate 5%/yr.
- US Public Health (Gold et al. 1996) discount rate 3%/QALY gain
- World Bank (Jamison et al. 1993) discount rate 3%

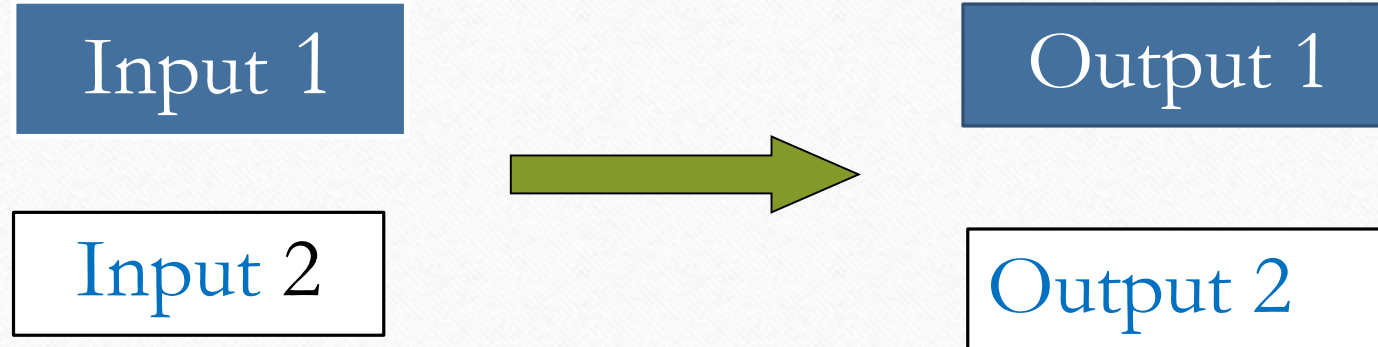
Principal of Economic evaluations

- Cost, Consequences, and their times.
- Two or more alternatives
- Decision and Sensitivity analyses
- Point of views

Evaluation of Health Care

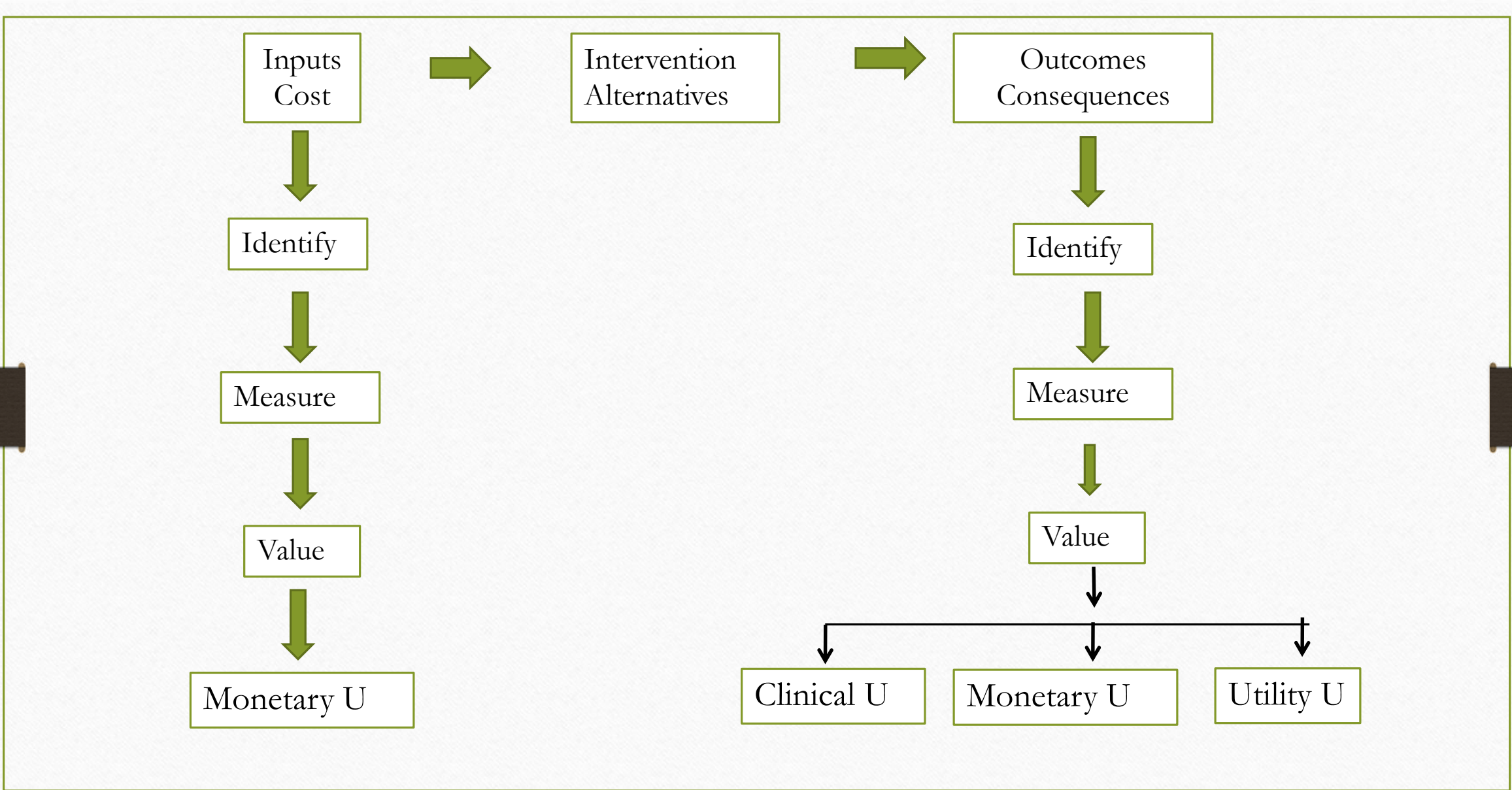


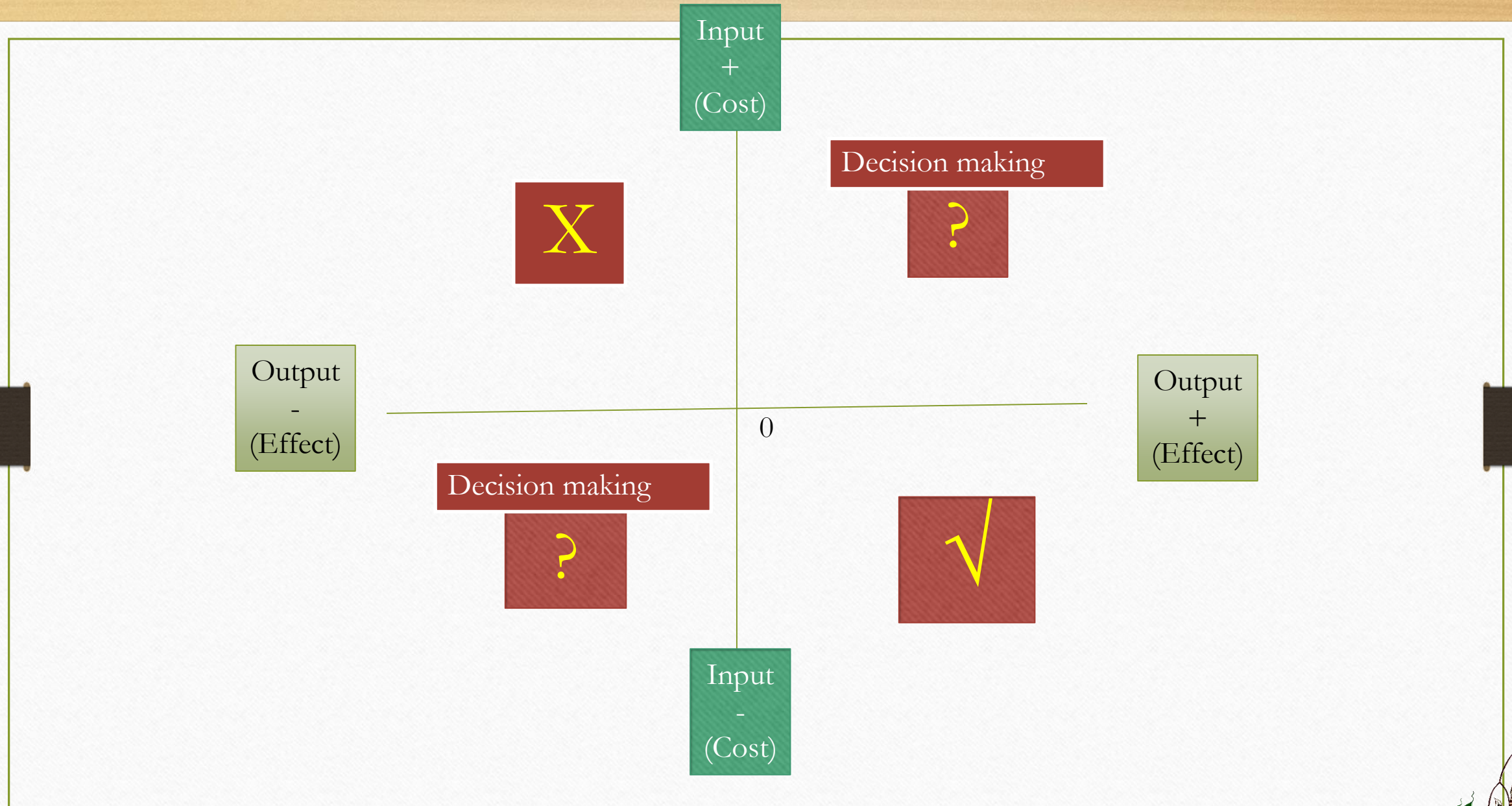
Economic evaluation



Economic efficiency = Output > input

Economic Evaluations





Decision analysis

- A systematic quantitative approach for assessing the relative value of one or more different decision options.

ขั้นตอนการเขียน decision tree

- กำหนดชนิดของการรักษา หรือ ทดสอบ
- เขียนเส้นกิ่งก้านของ ผลลัพธ์ที่น่าจะเกิดขึ้นในแต่ละการรักษาหรือทดสอบโดยเขียนเรียงลำดับการเกิดก่อนหลัง
- กำหนด ผลลัพธ์สุดท้ายไว้ส่วนสุดท้ายของแต่ละกิ่ง
- กำหนดและเขียนค่าความน่าจะเป็นของผลลัพธ์แต่ละอัน ค่าโอกาสของแต่ละกิ่งต้องรวมกันได้ 100 หรือ 1 เสมอ
- คำนวณค่าเฉลี่ยของความน่าจะเป็นของแต่ละกิ่งทางเลือกการรักษาหรือทดสอบ

สัญลักษณ์ต่างๆที่ใช้เขียน decision tree

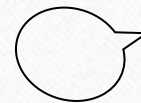
- choice node



- chance node



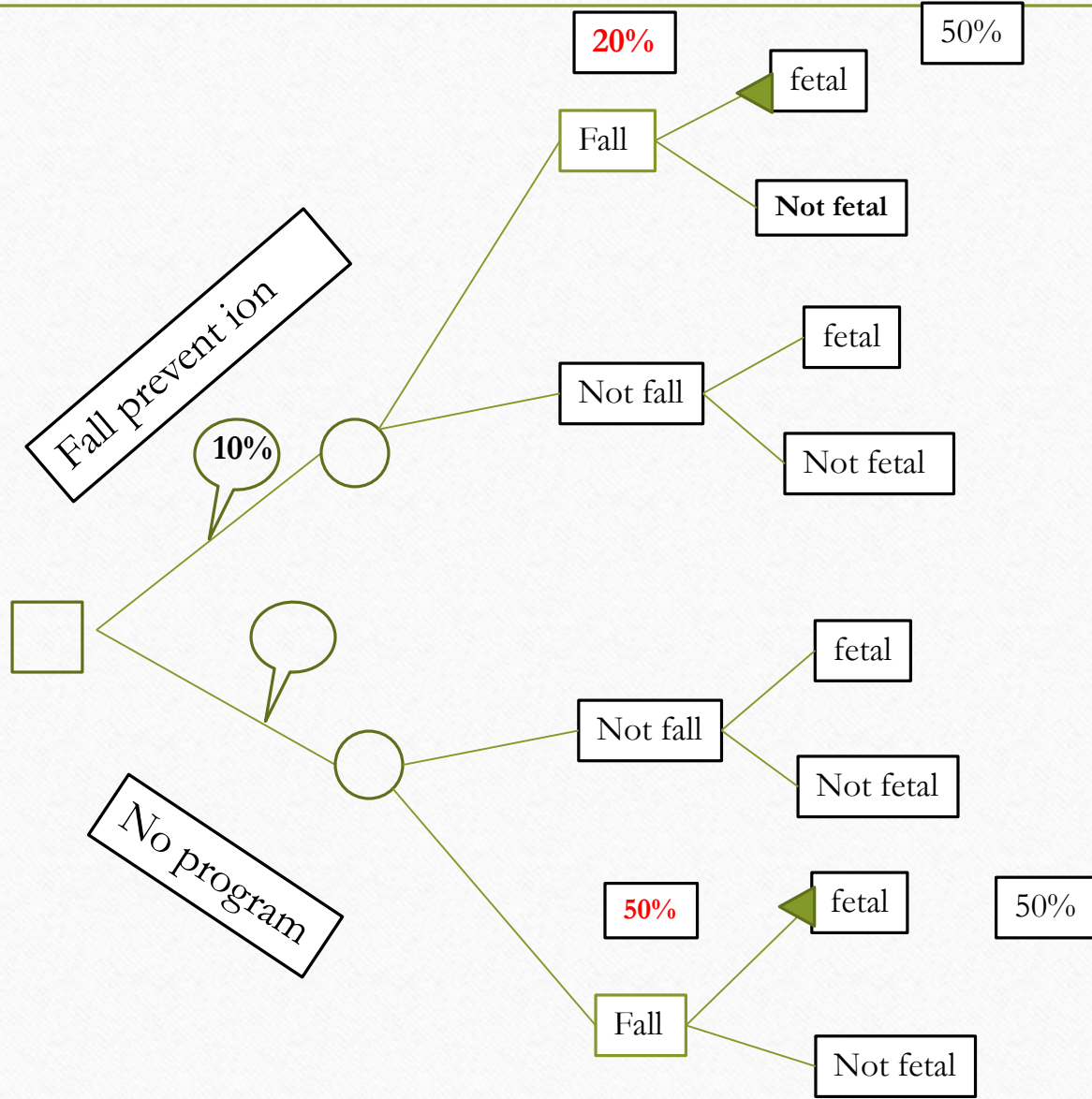
- balloon



- final outcome



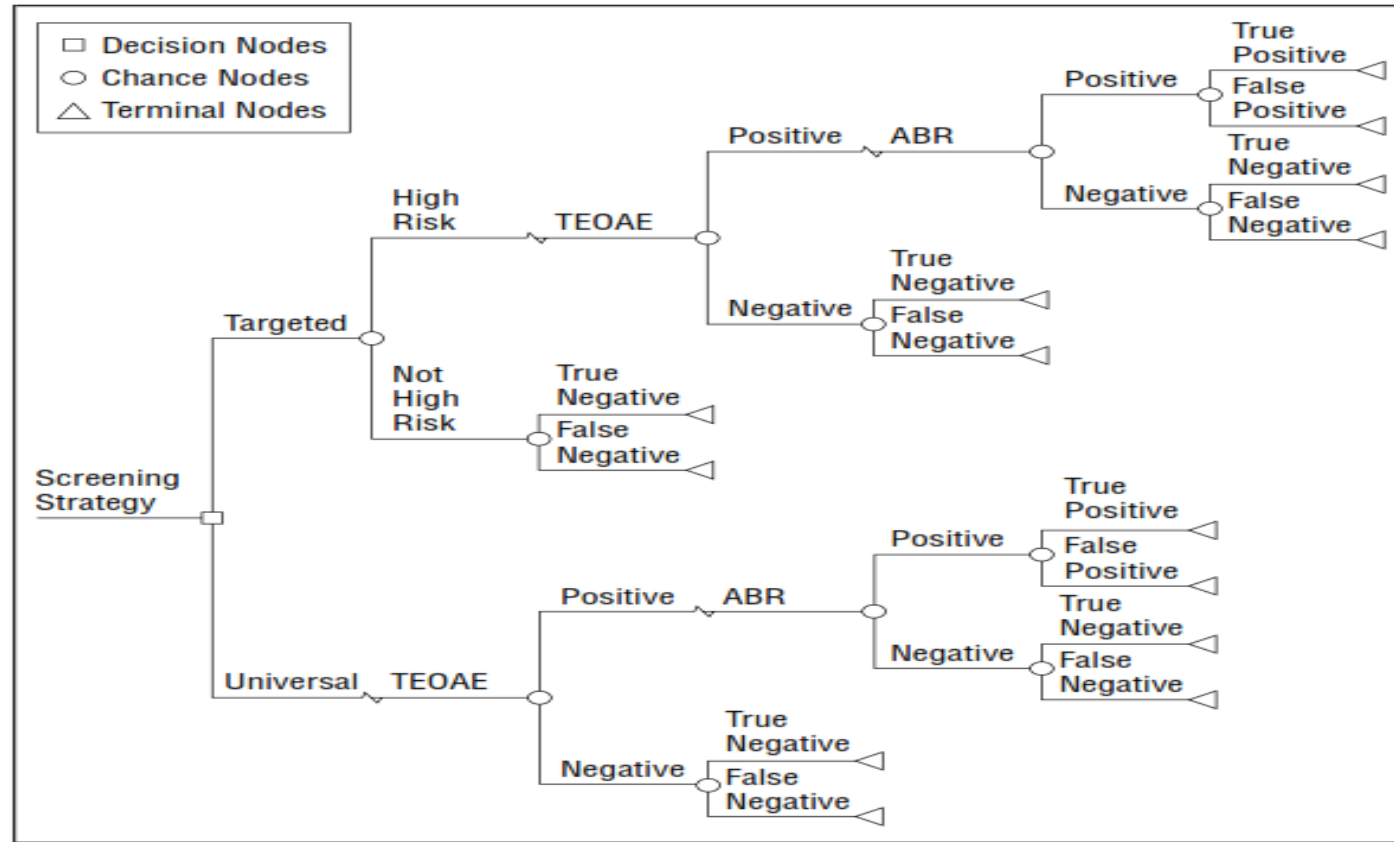
Decision Tree



- 1. Cost of preventive program
- 2. Cost of treatments due to fall

A Cost of Newborn Hearing Screening

Alex R. Kemper



egies

Decision tree for 2-stage newborn hearing screening. With universal screening, all newborns received screening by transient evoked otoacoustic emission (TEOAE). Those with positive results were screened by automated auditory brainstem response (ABR). With targeted screening, newborns were first screened by risk assessment.

Economics Evaluations

- Cost-minimization analysis
- Cost-Effectiveness analysis
- Cost-Benefit analysis
- Cost-Utility analysis

Cost Minimization analysis

Cost-minimization analysis

Input 1

~~Output 1~~

Input 2

~~Output 2~~

Output 1 = Output 2

Equivalent studies
Non-inferiority trial
Systematic review

A cost-minimization analysis of diuretic-based antihypertensive therapy reducing cardiovascular events in older adults with isolated systolic hypertension

G John Chen*¹, Luigi Ferrucci², William P Moran³ and Marco Pahor³

| Drug Class | Commonly Prescribed | 5-year Cost Per Patient | 5-Year NNT | Total Cost |
|-------------------------|---------------------|-------------------------|------------|------------|
| SHEP-based drug therapy | | \$456 | 15 | \$6,843 |
| Beta-Blocker | Atenolol | | | |
| | 25 mg daily | \$1,255 | 15 | \$18,825 |
| | 50 mg daily | \$1,245 | 15 | \$18,675 |
| | 100 mg daily | \$1,792 | 15 | \$26,880 |
| ACE inhibitor | Enalapril | | | |
| | 5 mg daily | \$2,031 | 15 | \$30,465 |
| | 10 mg daily | \$2,132 | 15 | \$31,980 |
| | 20 mg daily | \$3,034 | 15 | \$45,510 |
| Alpha-Blocker | Terazosin | | | |
| | 2 mg daily | \$2,984 | 15 | \$44,760 |
| | 5 mg daily | \$2,984 | 15 | \$44,760 |
| | 10 mg daily | \$2,984 | 15 | \$44,760 |
| Calcium channel blocker | Nifedipine | | | |
| | 30 mg daily | \$881 | 15 | \$13,215 |
| | 60 mg daily | \$1,762 | 15 | \$26,430 |
| | 90 mg daily | \$2,644 | 15 | \$39,660 |

Cost-Minimisation Analysis of Acarbose and Metformin in

Shuyan Gu,
Hengjin Dong

| Scenario | Price* | Annual treatment cost (¥) | | Cost difference (¥) [†] | Saving in annual cost (%) [‡] |
|--|---------|---------------------------|-----------|----------------------------------|--|
| | | Acarbose | Metformin | | |
| Base case | Lowest | 2260.08 | 1358.90 | 901.18 | 39.87 |
| | Highest | 2708.30 | 1598.70 | 1109.6 | 40.97 |
| Patients with T2DM with weight ≤ 60 kg | | | | | |
| Scenario 1 | Lowest | 753.36 | 452.97 | 300.39 | 39.87 |
| | Highest | 902.77 | 532.90 | 369.87 | 40.97 |
| Scenario 2 | Lowest | 2260.08 | 1811.86 | 448.22 | 19.83 |
| | Highest | 2708.30 | 2131.60 | 576.7 | 21.29 |
| Scenario 3 | Lowest | 2216.74 | 1332.83 | 883.91 | 39.87 |
| | Highest | 2656.36 | 1568.04 | 1088.32 | 40.97 |
| Scenario 4 | Lowest | 2216.74 | 1759.74 | 457 | 20.62 |
| | Highest | 2656.36 | 2070.28 | 586.08 | 22.06 |
| Patients with T2DM with weight > 60 kg | | | | | |
| Scenario 1 | Lowest | 753.36 | 452.97 | 300.39 | 39.87 |
| | Highest | 902.77 | 532.90 | 369.87 | 40.97 |
| Scenario 5 | Lowest | 4520.16 | 1358.90 | 3161.26 | 69.94 |
| | Highest | 5416.60 | 1598.70 | 3817.9 | 70.49 |
| Scenario 6 | Lowest | 4520.16 | 1811.86 | 2708.3 | 59.92 |
| | Highest | 5416.60 | 2131.60 | 3285 | 60.65 |
| Scenario 7 | Lowest | 4346.78 | 1332.83 | 3013.95 | 69.34 |
| | Highest | 5208.84 | 1568.04 | 3640.8 | 69.90 |
| Scenario 8 | Lowest | 4346.78 | 1759.74 | 2587.04 | 59.52 |
| | Highest | 5208.84 | 2070.28 | 3138.56 | 60.25 |

T2DM, type 2 diabetes mellitus.

* Lowest, the lowest set by market; highest, the highest price set by government.

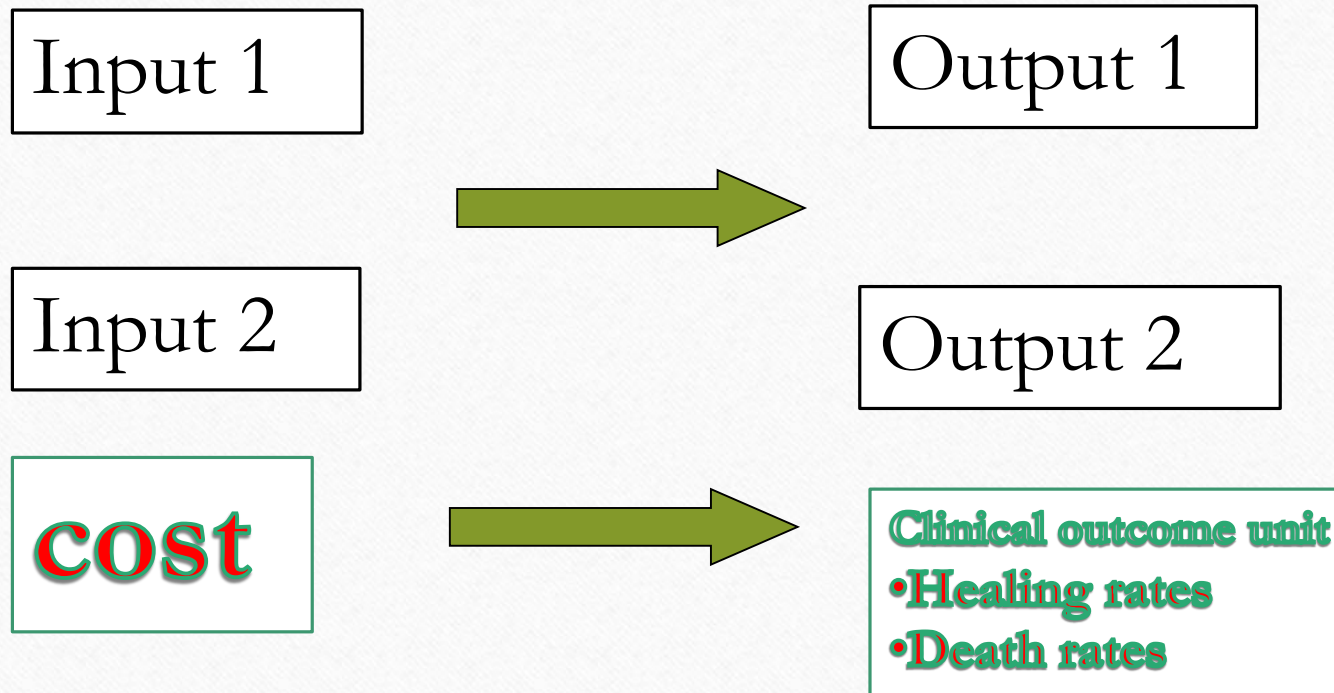
[†] Cost difference = annual cost of acarbose – annual cost of metformin.

[‡] Saving in annual cost = (annual cost of acarbose – annual cost of metformin) × 100/annual cost of acarbose.

Cost-effectiveness analysis

Incremental Cost- Effectiveness analysi

Cost-effectiveness analysis



Cost-effectiveness ratio

Input A
(24,000 baht of
Duloxetine treatment
Program in 100 cases)



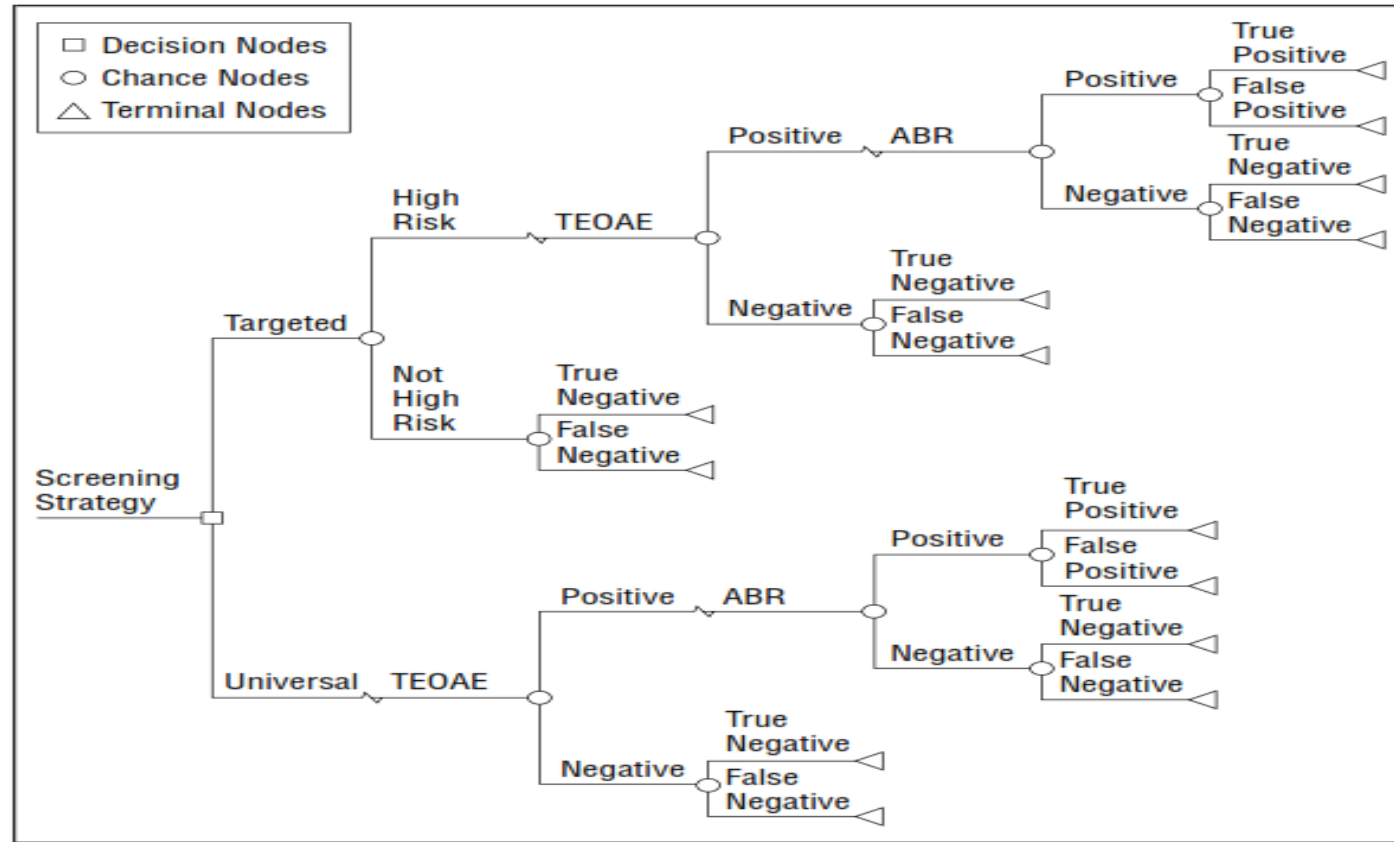
Output A
(Number of patient
painless = 85 cases)

$$\begin{aligned} \text{Cost-effectiveness ratio in A} &= \frac{\text{Cost A}}{\text{Output A}} \\ &= \frac{24,000 \text{ baht}}{45 \text{ cases}} \\ &= 266 \text{ baht/case} \end{aligned}$$

$$\begin{aligned} \text{Cost-effectiveness ratio in Dulox} &= \frac{\text{cost Dulox}}{\text{Output Dulox}} \\ &= \frac{24,000 \text{ baht}}{85} \\ &= 282 \text{ baht/case} \end{aligned}$$

A Cost of Newborn Hearing Screening

Alex R. Kem...



egies

Decision tree for 2-stage newborn hearing screening. With universal screening, all newborns received screening by transient evoked otoacoustic emission (TEOAE). Those with positive results were screened by automated auditory brainstem response (ABR). With targeted screening, newborns were first screened by risk assessment.

Table 1. Probability Estimates*

| Parameter | Baseline Estimate (Range), % | References |
|----------------------------|-------------------------------------|-------------------|
| Prevalence of hearing loss | 0.11 (0.10-0.59) | 1, 2, 9, 20 |
| Risk screening | | |
| Sensitivity | 59 (50-64) | 5, 6, 9, 17, 18 |
| Specificity | 95 (91-99) | 5, 6, 9, 17, 18 |
| Automated TEOAE | | |
| Sensitivity | 80 (66-100) | 20, 21 |
| Specificity | 92 (91-93) | 21 |
| Automated ABR | | |
| Sensitivity | 98 (80-100) | 1, 19 |
| Specificity | 96 (86-98) | 1, 19 |

*TEOAE indicates transient evoked otoacoustic emission; ABR, auditory brainstem response.

Table 2. Cost Estimates*

| Parameter | Baseline Estimate (Range), \$ | References |
|------------------|--------------------------------------|-------------------|
| Risk screening | 1.00 (0.50-15.00) | 5, 18, AE |
| Automated TEOAE | 7.42 (5.00-15.00) | 22, AE |
| Automated ABR | 25.00 (15.00-40.00) | 23, 24 |
| Diagnostic ABR | 150.00 (100.00-200.00) | 20, AE |

Table 3. Baseline Results for 100 000 Newborns Screened*

| Strategy | No. of Cases Detected | No. of False Positives | Total Cost, \$ | Cost per Case Detected, \$ |
|---------------------|------------------------------|-------------------------------|-----------------------|-----------------------------------|
| Targeted screening | 51 | 16 | 158 860 | 3120 |
| Universal screening | 86 | 320 | 1 004 860 | 11 650 |

Incremental cost-effectiveness ratio (ICER)

An important principle in the calculation of ICER dictated by the economic theory underlying health economics research, is that each relevant strategy should be compared with the next best alternative, based on the economic concept of “opportunity costs”

“ถ้าจะเลือกการรักษาที่ให้ผลดีกว่าเดิม 1 หน่วยต้องลงทุนเพิ่ม(ลด)ขึ้น(ลง) เท่าใด”

$$\text{ICER} = \frac{\text{Cost new} - \text{Cost reference}}{\text{Effect of new} - \text{Effect of reference}}$$

$$\text{ICER} = \frac{\text{cost New pain killer} - \text{cost Reference pain killer}}{\text{Number of painless patients in New} - \text{Number of painless in Reference}}$$

$$= \frac{24,000 - 12,000}{85 - 45}$$

CR of New = $24,000/85 = 282/\text{case}$
CR of Reference = $12,000/45 = 266/\text{case}$

$$= (12,000/40)$$

$$= (300/1)$$

= ลงทุนเพิ่มขึ้น 300 บาท เพื่อเพิ่มจำนวน ผป ที่ไม่ปวด 1 คน

Cost-Benefit analysis

Cost-Benefit analysis

- เป็นการวิเคราะห์เปรียบเทียบต้นทุนและผลได้ (consequence) โดยผลได้จะวัดออกมาเป็นรูปตัวเงิน

Cost (input) → Cost (output)

- **สามารถเปรียบเทียบ** โครงการหรือการรักษาที่วัดผลได้ทางคลินิกที่แตกต่างกันได้
โครงการป้องกันการเกิดข้อเข่าเสื่อม vs. โครงการป้องกันการเกิดความดันโลหิตสูง

ข้อเสีย การตีค่าเป็นเงินของ *output*

$$\begin{aligned}\text{Net Benefit} &= (\text{Benefit}_T - \text{Cost}_T) - (\text{Benefit}_C - \text{Cost}_C) \\ &= (2000 - 1000) - (700 - 500) \\ &= (\text{Benefit}_T - \text{Benefit}_C) - (\text{Cost}_T - \text{Cost}_C) \\ &= (2000 - 700) - (1000 - 500) \\ &= +800\end{aligned}$$

Positive net benefit means the treatment group is more benefit than the control group 800 unit.



Cost-Benefit Analysis from the Hospital Perspective of Universal Active Screening Followed by Contact Precautions for Methicillin-resistant *Staphylococcus aureus* Carriers

James A. McKinnell, MD^{1,2}, Sarah M. Bartsch, MPH^{3,4}, Bruce Y. Lee, MD, MBA³, Susan S. Huang, MD, MPH⁵, and Loren G. Miller, MD, MPH¹

Cost-Benefit Analysis

The economic impact of adopting a universal surveillance and contact precautions program was based on the difference between the benefits (i.e., cost-savings from averting MRSA infections) and intervention costs. For each simulation, the economic impact to the hospital for each screening strategy was calculated as:

$$(\text{Number Infections Averted} \times \text{MRSA Attributable Length of Stay} \times \text{Cost of Lost Bed Day}) - (\text{Cost of Contact Precautions} + \text{Cost of Screening})$$

The optimal strategy was defined as the strategy with the best cost-benefit to the hospital; i.e. cost-neutral (costs = benefit) or cost-saving (cost < benefit).

Costs and Benefit [mean (95% credibility interval)] per 10,000 admissions with baseline MRSA prevalence on admission, a 6-day attributable MRSA length of stay, and an extreme contact precaution efficacy estimate (0.03 infections averted per MRSA colonized patient isolated)

| | Chromogenic Agar Screening | | | PCR Screening | | |
|--|-------------------------------------|-------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Total number of MRSA colonized patients | 953 (780 - 1,140) | | | 946 (770 - 1,140) | | |
| Body Site(s) Tested | Nares | Nares/Oropharynx | Multi Site Swab | Nares | Nares/Oropharynx | Multi Site Swab |
| Patients Correctly Identified as Colonized | 542 (410 - 680) | 680 (530 - 820) | 786 (630 - 950) | 575 (430 - 730) | 720 (560 - 890) | 824 (660 - 1,000) |
| Patients Placed in Contact Precautions | 622 (470 - 760) | 758 (590 - 920) | 863 (690 - 1,040) | 915 (740 - 1,110) | 1,054 (870 - 1,250) | 1,155 (960 - 1,370) |
| Intervention Cost | \$251,555 (205,554 - 299,868) | \$304,142 (250,214 - 353,933) | \$346,774 (292,645 - 402,702) | \$571,564 (515,439 - 632,775) | \$625,012 (566,246 - 690,416) | \$666,295 (601,959 - 733,215) |
| Swabs | \$10,000 | \$20,000 | \$30,000 | \$10,000 | \$20,000 | \$30,000 |
| Testing * | \$46,876 (46,740 - 47,006) | \$46,876 (46,740 - 47,006) | \$46,876 (46,740 - 47,006) | \$275,455 (275,165 - 275,715) | \$275,455 (275,165 - 275,715) | \$275,455 (275,165 - 275,715) |
| Gloves | \$11,583 (8,841 - 14,452) | \$14,119 (10,941 - 17,159) | \$16,061 (12,867 - 19,366) | \$17,025 (13,750 - 20,763) | \$19,610 (16,127 - 23,420) | \$21,475 (17,658 - 25,422) |
| Gowns | \$117,659 (90,020 - 146,384) | \$143,386 (110,867 - 173,361) | \$163,125 (130,381 - 196,500) | \$172,913 (139,405 - 209,892) | \$199,178 (164,097 - 238,282) | \$218,074 (179,641 - 258,298) |
| Nursing Time | \$65,437 (49,952 - 82,027) | \$79,762 (61,666 - 96,407) | \$90,713 (72,656 - 109,830) | \$96,171 (77,118 - 116,404) | \$110,768 (90,856 - 133,000) | \$121,293 (99,495 - 143,780) |
| MRSA Infections Avoided | 16 (12 - 20) | 20 (16 - 25) | 24 (19 - 29) | 18 (13 - 22) | 22 (17 - 27) | 25 (20 - 30) |
| Cost Averted | \$147,777 (110,142 - 186,002) | \$143,386 (110,867 - 173,361) | \$163,125 (130,381 - 196,830) | \$158,993 (121,130 - 199,233) | \$196,630 (152,043 - 243,162) | \$223,685 (176,000 - 272,216) |
| Cost-Benefit ^ | -\$103,778 (-\$83,491 - -\$126,252) | -\$119,474 (-\$97,905 - -\$143,518) | -\$133,349 (-\$110,865 - -\$157,160) | -\$412,571 (-\$376,833 - -\$452,963) | -\$428,381 (-\$392,508 - -\$469,522) | -\$442,609 (-\$405,763 - -\$481,495) |
| Gain vs. Loss | Loss | Loss | Loss | Loss | Loss | Loss |

* Includes test materials and technician labor to process sample; Multiple samples were tested by splitting Chromogenic Agar plates and combining samples for PCR runs

^ Negative values indicate a economic loss to hospital given a \$0 break-even threshold

Cost-Utility analysis

Utility

- Utility is the value or worth of a level of health as measured by preferences of an individual or society.
- Cost Utility analysis is one form of cost-effectiveness analysis which allowa the comparison of different health outcomes by measuring them all in term of a single unit (Quality adjusted life years, QALYs and Disability adjusted life years, DALY)

Cost-Utility analysis

- เปลี่ยนการตีค่า output หรือ consequence เป็น Utility unit หรือ quality of life score
- วิธีวัด utility score
 1. Visual analog scale
 2. Time-trade off
 3. Standard gamble
 4. Other methods (AQoL, EuroQol, Health Utility Index)

Utility score

| Health state | Utility score |
|---|---------------|
| Migraine relief with no recurrence | 1 |
| Migraine relief, recurrence within 24 hr. | 0.9 |
| No relief, and patient endures migraine episode | 0.3 |
| No relief, patient attends emergency room, finds relief | 0.1 |
| No relief, patient attends emergency room, find no relief and hospitalized | -0.3 |

Utility Measurement EuroQo (EQ-5D)

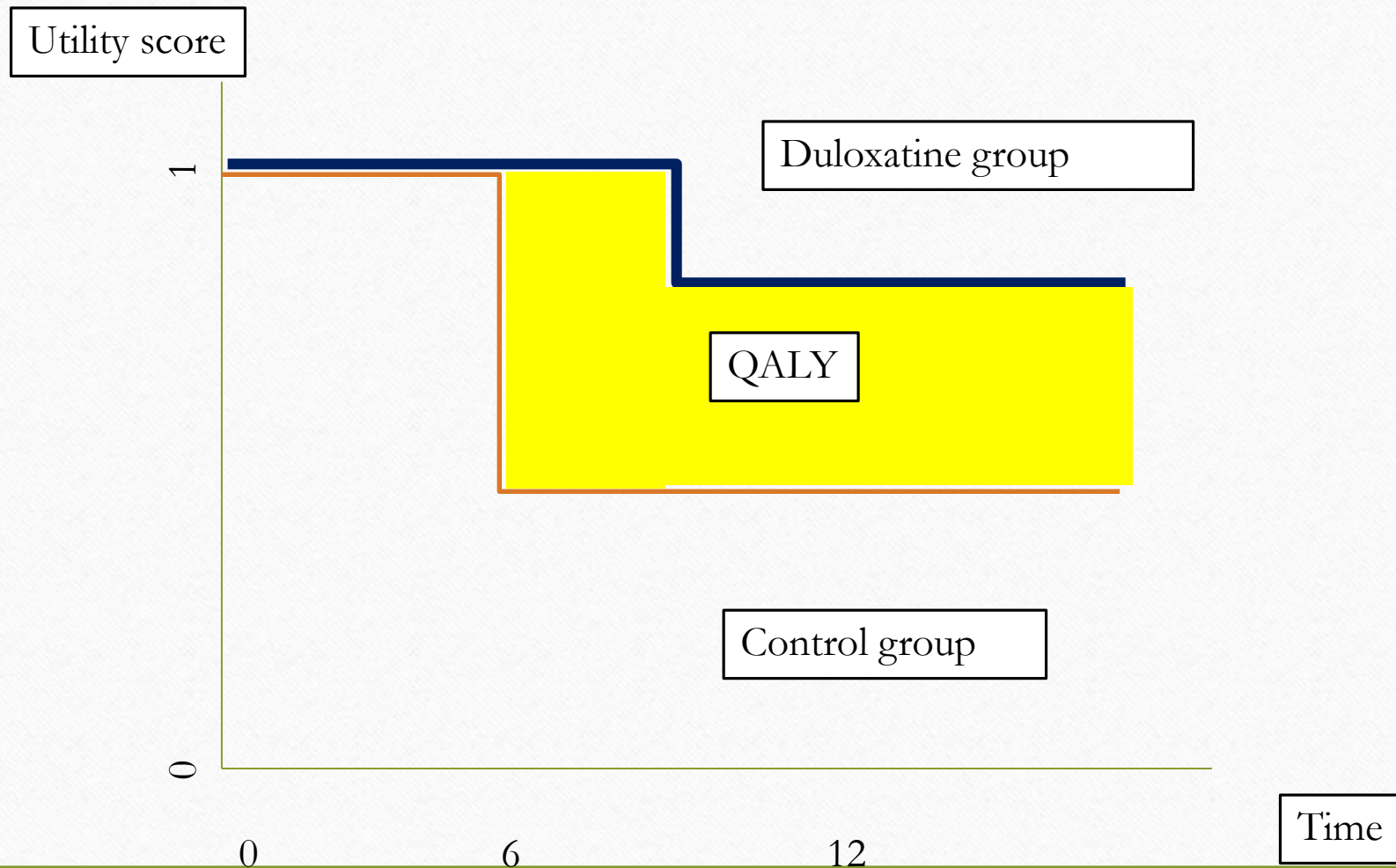
1. Mobility
2. Self-care
3. Usual activity
4. Pain/discomfort
5. Anxiety/depression

Each attribute has three levels:

1. No problem
2. Some problem
3. Major problem

Recent revised (added two health status: unconscious and dead)

Quality-adjusted life-year (QALY)

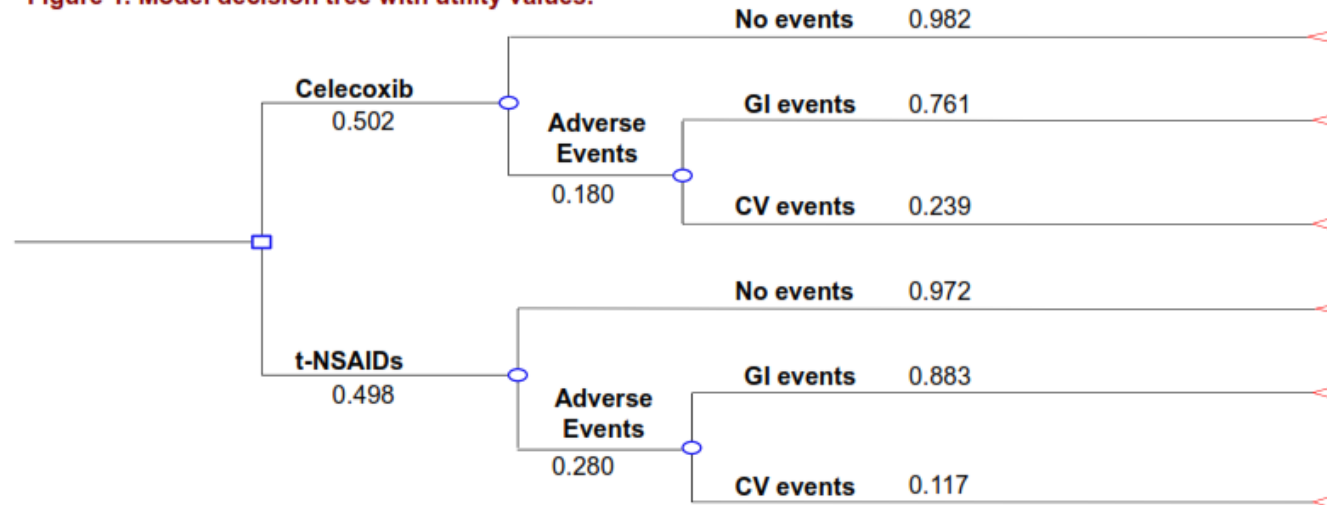


COST-EFFECTIVENESS OF CELECOXIB AND NON STEROIDAL ANTI-INFLAMMATORY DRUGs THERAPY FOR THE TREATMENT OF OSTEOARTHRITIS IN SPAIN: A DECISION-TREE MODEL

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Figure 1. Model decision tree with utility values.



- Compared with t-NSAIDs, celecoxib treatment had higher drug costs than traditional NSAIDs (€119 vs. €34), and the overall treatment cost was estimated at €201 and €157, respectively.
- Celecoxib was associated with slightly increase in QALY gain and significant lower incidence of gastrointestinal events ($p < 0.001$) with mean ICERs of €13,286 per QALY gained and €4,471 per event averted (Table 3).
- Probabilistic and univariate sensitivity analyses were robust and confirmed results of the base case scenario.

Table 3. Cost-effectiveness analysis in the base case scenario

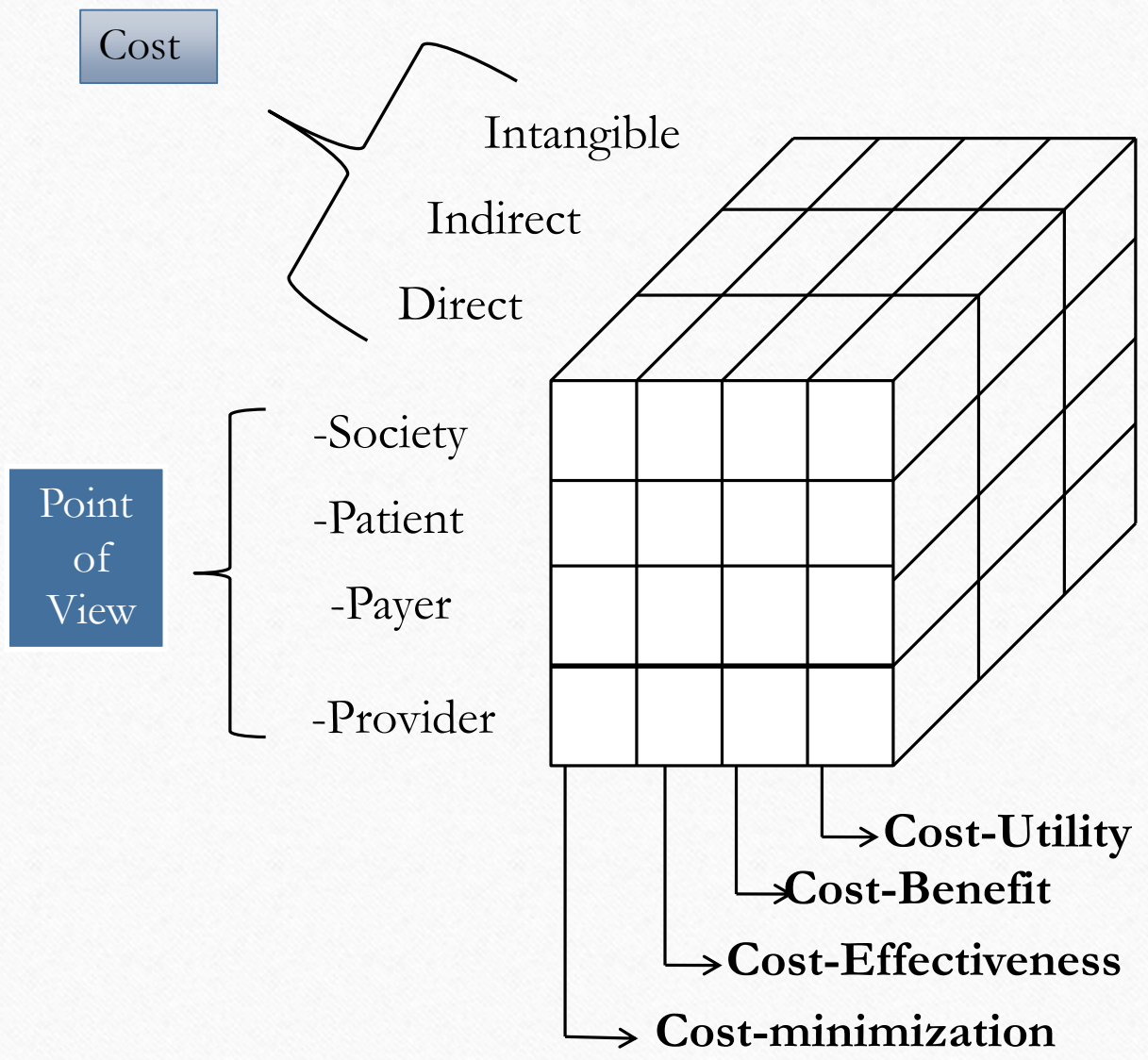
| | Celecoxib | t-NSAID | Difference | ICER |
|----------------------------------|-----------|---------|------------|--------|
| Treatment cost (Drugs) / Patient | 119 € | 34 € | 86 € | |
| GI Events cost / Patient | 57 € | 104 € | -47 € | |
| CV events cost / Patient | 24 € | 19 € | 5 € | |
| Treatment cost (Total) / Patient | 201 € | 157 € | 44 € | |
| Total events | 71 | 111 | -40 | |
| Utility (QALY/patient) | 0.9938 | 0.9905 | 0.0033 | |
| ICER (€/QALY) | | | | 13,286 |
| Cost event averted (€) | | | | 4,471 |

t-NSAID: non-selective non steroidal anti-inflammatory drug, ICER: Incremental Cost Effectiveness Ratio, QALY: Quality-adjusted life year. GI: Gastrointestinal, CV: Cardiovascular.

Economic analyses

| Types of analysis | Input | Output |
|--------------------|-------|--------------------|
| Cost-minimization | Cost | Clinical outcome |
| Cost-effectiveness | Cost | Clinical outcome |
| Cost-benefit | Cost | Cost |
| Cost-utility | Cost | Utility score/QALY |

Three-dimension of Economic Analysis



Ceiling Ratio

$$\text{ICEA} = \frac{\text{Cost T} - \text{Cost C}}{\text{Effect T} - \text{Effect C}} < \frac{\text{▲ Cost}}{\text{▲ Effect}} < \text{Ceiling Ratio}$$

$$\begin{aligned} \text{Ceiling Ratio} &= 50,000 \text{ C\$/QALYs} < 100,000 \text{ C\$*} \\ &= 40,000 \text{ A\$/QALYs} < 70,000 \text{ A\$**} \end{aligned}$$

*Laupacis A, Feeny D 1992; CMAJ 146(4).473-81

**George, Harris, Mitchell 2000 Pharmaceutical Benefits Schedule

Ceiling ratio

US\$ 50,000 per QALY

Owens DK. Interpretation of cost-effectiveness analysis. *J Gen Intern Med* 1998

Paltiel AD, et al. Resource allocation and the funding of HIV prevention.

In Handbook of Economic Evaluation of HIV Prevention Programs. 1998

AU\$ 42,000-76,000 per QALY

George B, et al. *Pharmacoeconomics* 2001 19

Ceiling ratio

•2-3 times of per capita GDP per QALY

World Bank. The 1993 World Development Report,
Investing in Health.
Oxford University Press, Washington DC

•3 times of per capita income* per QALY

Commission on Macroeconomics and Health.
Investing in Health for Economic Development.
WHO, 2001.

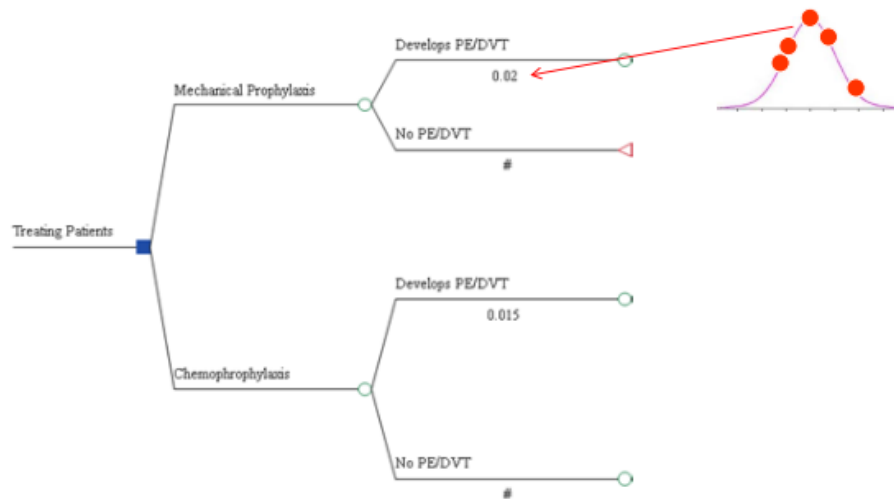
•In 2015, GDP per capita for Thailand = 5,720 US)

The World Bank

Sensitivity analysis

- Method to evaluate the stability of the conclusions of an analysis to assumptions made and uncertainty variables in model *inputs* affects the model *outputs*

Varying point estimates (TreeAge model)



Types of inputs

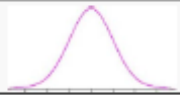
- Cost
- Health Effect
 - Life Years Saved
 - Utilities
 - Cases of Disease Avoided
 - Infections Cured
- Probabilities
- Discount Rate

Types of sensitivity analysis

- Deterministic sensitivity analysis
- Probabilistic sensitivity analysis

DSA versus PSA

Example: Cost input, cost of outpatient visit

| | DSA | PSA |
|-----------|--|---|
| Base case | \$100 | \$100 |
| Input | \$80, \$90, \$110, \$120 |  |
| Results | ICER A (when cost is \$80) ICER B (when cost is \$90) ICER C (when cost is \$110) ICER D (when cost is \$120) | The mean ICER when we vary the base-case using a normal distribution with a mean of \$100 and standard deviation of \$10 is X , using 1000 iterations |

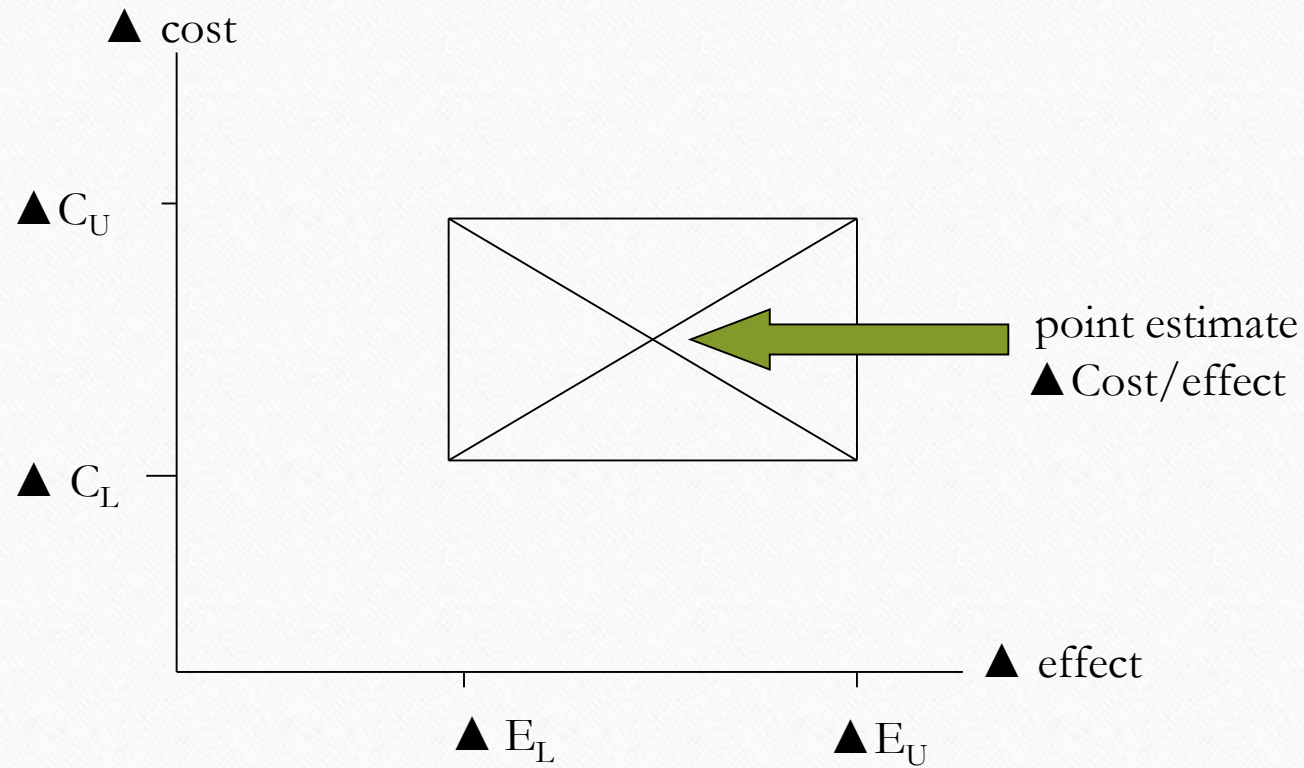
Types of sensitivity analysis

- One way sensitivity analysis
- Two ways sensitivity analysis
- Tornado Diagrams
- N-ways or multi-ways sensitivity analysis

Methods for calculation

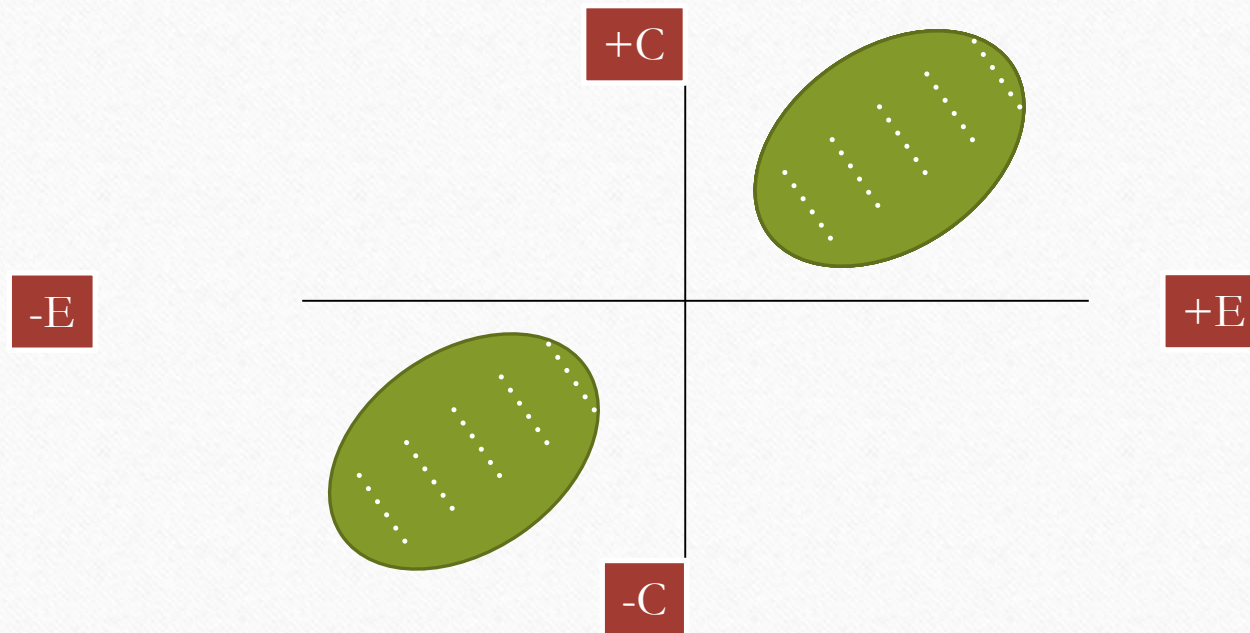
1. Simple method
2. Probability method (Monte Carlo)

95% confidence interval of ▲ CE ratio (Deterministic Sensitivity analysis)



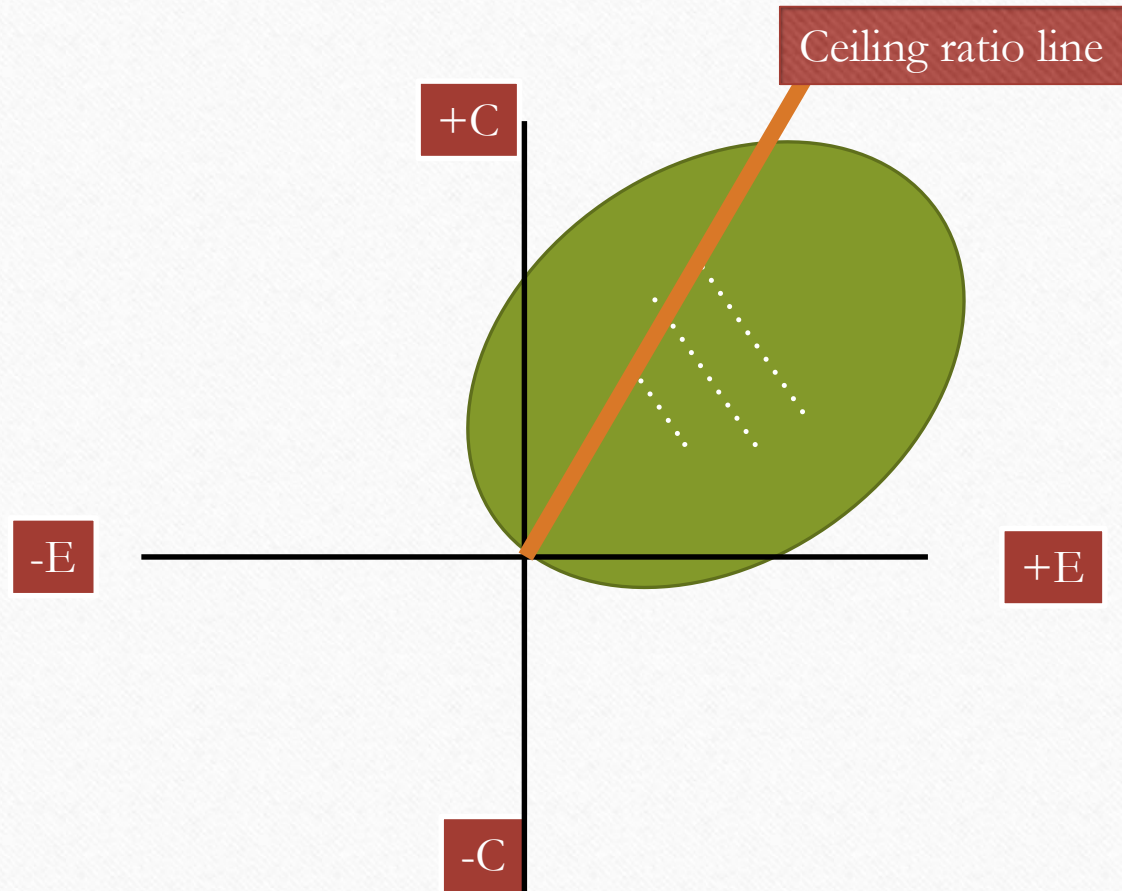
Probabilistic Sensitivity analysis

- Confidence interval of estimation of cost-effectiveness ratio or cost-utility ratio



Probabilistic Sensitivity analysis

- Confidence interval of estimation of cost-effectiveness ratio or cost-utility ratio



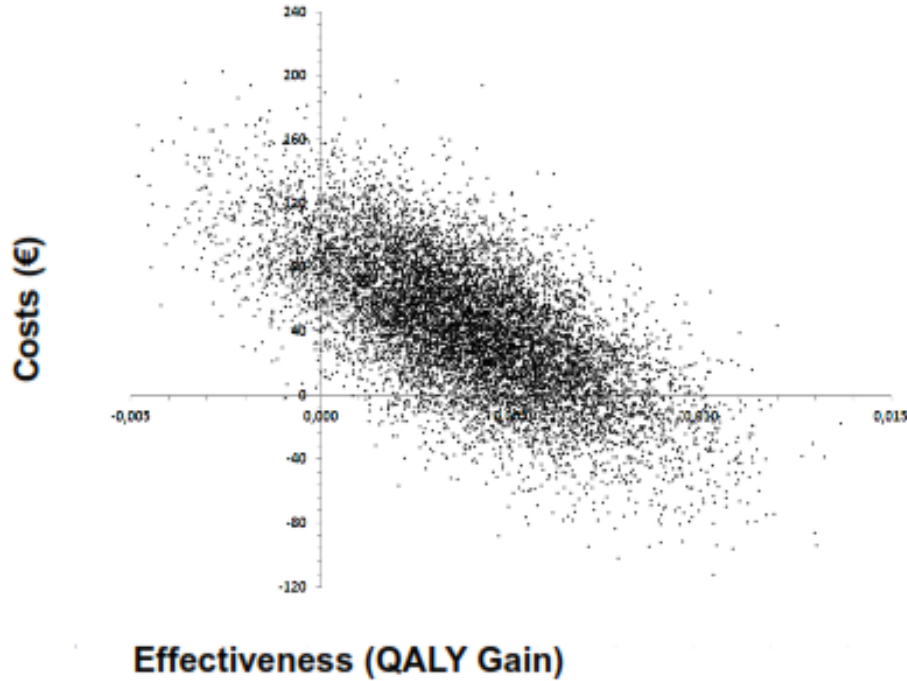
COST-EFFECTIVENESS OF CELECOXIB AND NON STEROIDAL ANTI-INFLAMMATORY DRUGs THERAPY FOR THE TREATMENT OF OSTEOARTHRITIS IN SPAIN: A DECISION-TREE MODEL

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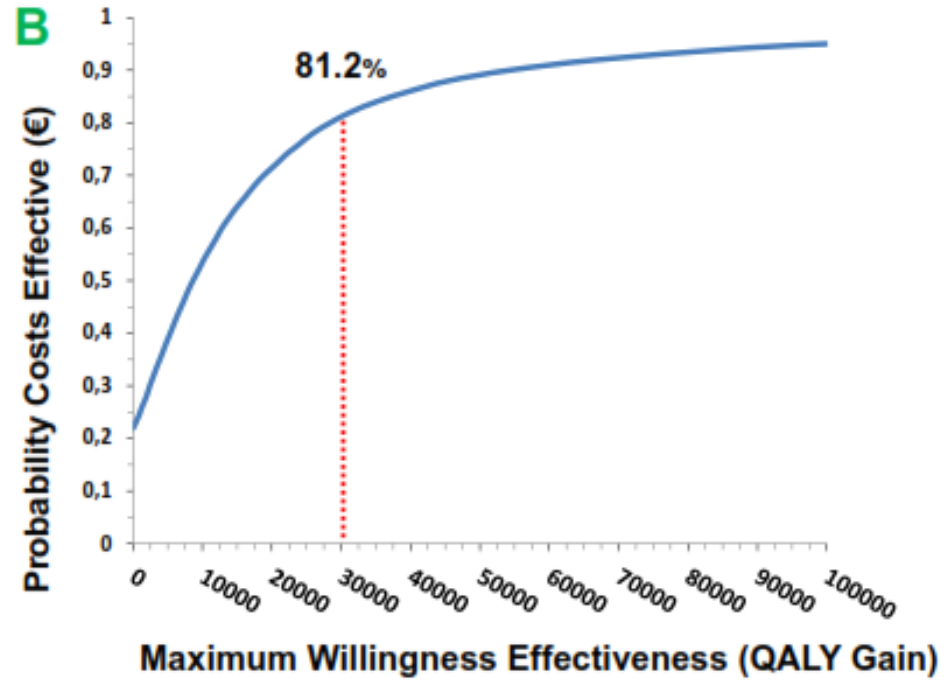
¹Master program in Health Technology Appraisal and Market Access, Universidad Carlos III, Getafe (Madrid), Spain; ²Health Economics and Outcomes Research Department, Pfizer, S.L.U., Alcobendas (Madrid), Spain; ³Department of Orthopedic Surgery and Traumatology, Hospital General Universitario Gregorio Marañón, Madrid, Spain

Cost-Utility analysis plane (A) and Cost-Utility analysis acceptability curve (B)

A



B



Cost Effectiveness of Duloxetine for Osteoarthritis: A Quebec Societal Perspective

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ROBERT W. KLEIN,¹ AND MICHAEL HAPPICH³

Table 1. Treatments*

| Therapy | Drug class | Dose |
|---------------|--------------------------|-------------------------|
| Duloxetine | SSNRI | 60 mg every day |
| Celecoxib | COX-2 inhibitor NSAID | 200 mg |
| Diclofenac | Nonselective NSAID | 100–150 mg |
| Naproxen | Nonselective NSAID | 750 mg |
| Hydromorphone | Strong opioid | 3–9 mg twice a day |
| Oxycodone | Strong opioid | 10–30 mg twice a day |

* SSNRI = selective serotonin and norepinephrine reuptake inhibitor; COX-2 = cyclooxygenase 2; NSAID = nonsteroidal antiinflammatory drug.

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Table 2. Treatment costs

| Treatment | First 3-month drug cost | First 3-month physician cost | Subsequent 3-month cost | Discontinuation drug cost | Discontinuation physician cost |
|----------------------------------|-------------------------|------------------------------|-------------------------|---------------------------|--------------------------------|
| Duloxetine 60 mg | \$335.26* | \$65.32† | \$340.31‡ | \$0.00§ | \$44.63† |
| Celecoxib 200 mg | \$126.04‡ | \$0.00 | \$126.04‡ | \$0.00 | \$0.00 |
| Diclofenac 100–150 mg | \$47.78‡ | \$0.00 | \$47.78‡ | \$0.00 | \$0.00 |
| Hydromorphone 3–9 mg twice a day | \$83.43‡ | \$83.63† | \$94.26‡ | \$27.73§ | \$63.46† |
| Naproxen 750 mg | \$36.14‡ | \$0.00 | \$36.14‡ | \$0.00 | \$0.00 |
| Oxycodone 10–30 mg twice a day | \$224.87‡ | \$83.63† | \$257.22‡ | \$99.19§ | \$63.46† |

* Provided by Lilly Canada.

† Calculated from the Ministry of Health and Long-Term Care (2010) (34), guided by expert opinion solicited by questionnaire.

‡ Calculated from IMS-Brogan (2010) (33).

§ Calculated from IMS-Brogan (2010) (33), using tapering calculated by the Washington State Department of Social and Health Services, 2010 (32).

Table 3. Results of the base-case incremental cost-effectiveness analysis*

| Treatment | Cost over naproxen† | QALYs over naproxen† | ICER vs. baseline‡ | Incremental cost§ | Incremental QALYs‡ | ICER |
|---------------------|---------------------|----------------------|--------------------|---------------------|-----------------------|-------------------------|
| Oxycodone | \$1,722 | 0.0173 | \$99,456 | | | Dominated |
| Hydromorphone | \$1,394 | 0.0165 | \$84,636 | | | Dominated |
| Duloxetine | \$937 | 0.0284 | \$32,960 | \$806 vs. celecoxib | 0.0222 vs. celecoxib | \$36,291 vs. celecoxib |
| Celecoxib | \$131 | 0.0062 | \$21,056 | \$68 vs. diclofenac | 0.0024 vs. diclofenac | \$28,258 vs. diclofenac |
| Diclofenac | \$63 | 0.0038 | \$16,491 | \$63 vs. naproxen | 0.0038 vs. naproxen | \$16,491 vs. naproxen |
| Naproxen (baseline) | – | – | – | – | – | – |

* QALYs = quality-adjusted life years; ICER = incremental cost-effective ratio.

† Costs and QALYs discounted at 5.0%. “Baseline” is the least expensive treatment.

‡ “Baseline” is the least expensive treatment.

§ Discounted at 5.0%.

Cost Effectiveness Plane

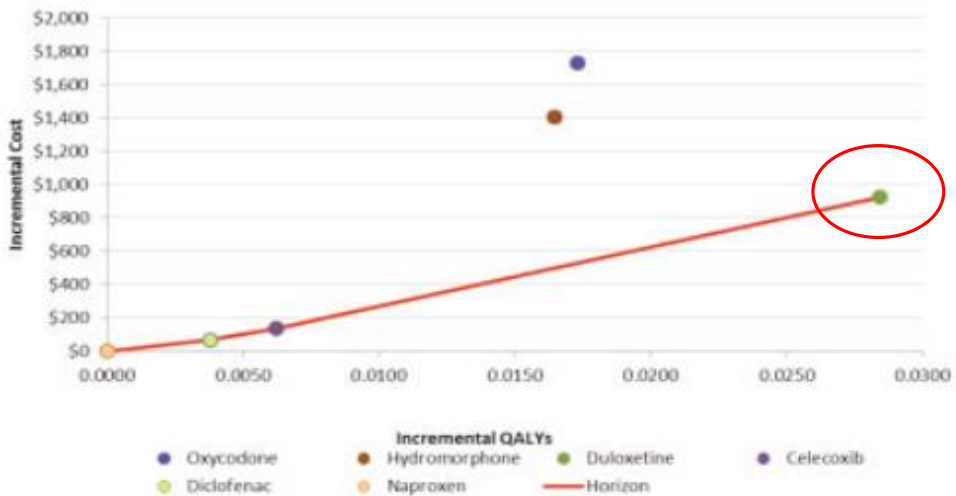


Figure 1. Cost-effectiveness plane of the base-case analysis based on the Quebec societal perspective. QALYs = quality-adjusted life years.

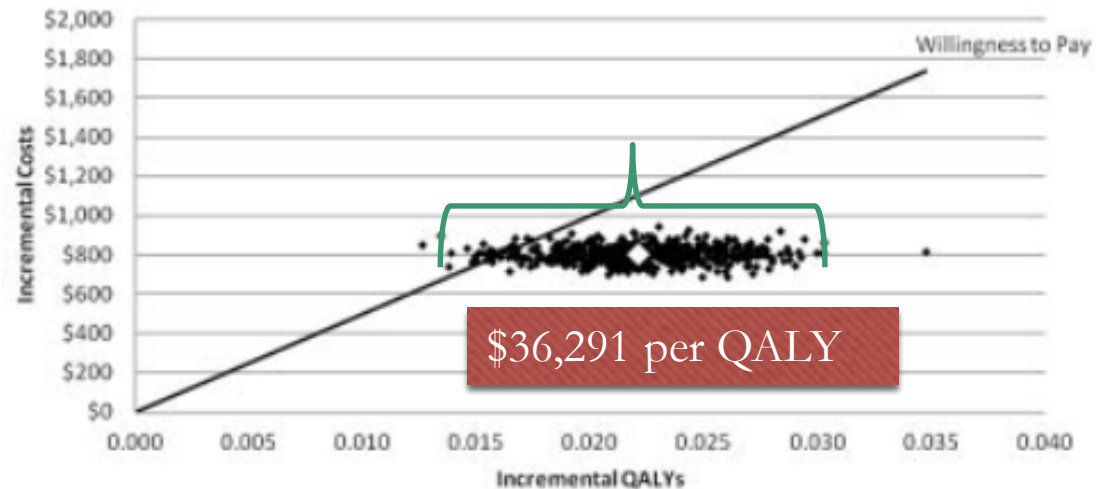


Figure 2. Probabilistic sensitivity analysis of duloxetine versus celecoxib, with the white diamond showing the base-case scenario. QALYs = quality-adjusted life years.

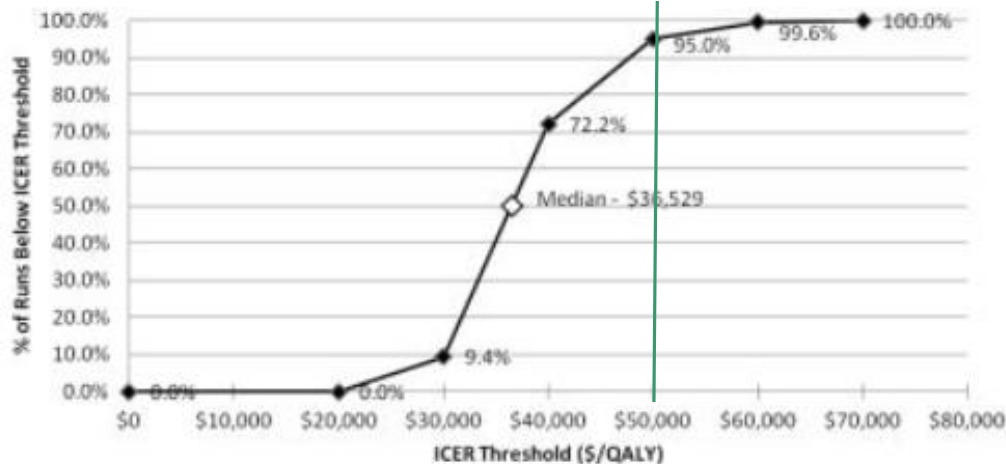


Figure 3. Cost-effectiveness acceptability curve for the base-case analysis showing willingness to pay for duloxetine versus celecoxib. ICER = incremental cost-effective ratio; QALY = quality-adjusted life year.

Celebrex vs Doloxetine



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The Cost-Effectiveness of Duloxetine in Chronic Low Back Pain: A US Private Payer Perspective

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VALUE IN HEALTH 16 (2013) 334–344

Table 1 – Treatment characteristics.

| Comparator | Duloxetine | Celecoxib | Naproxen | Pregabalin | Oxycodone/APAP | Oxycodone ER | Tapentadol ER | Tramadol IR |
|---|-------------|------------|------------|--------------|---------------------|--------------|---------------|---------------|
| Clinical | | | | | | | | |
| Dosing | 60–120 mg | 200 mg QD | 500 mg BID | 300 mg BID | 7.5/325– 15/650 Q6h | 10–30 mg BID | 300–600 mg QD | 200–300 mg QD |
| Utility | 0.7541* | 0.7688* | 0.7688* | 0.7282† [21] | 0.7628‡ | 0.7628* | 0.7603* | 0.7587* |
| Discon—initial 3 mo (%) | 27.6* | 23.8§ | 30.0§ | 35.0 [22,23] | 58.9‡ | 58.9§ | 44.0 [24] | 48.5§ |
| Discon—subsequent 3 mo (%) | 1.9 | 4.7 | 5.7 | 4.5 | 13.3 | 13.3 | 8.3 | 25.4 |
| PPI usage (%) | 5.1 [25] | 15.5 [26] | 43.7 [27] | 5.1 [25] | 21.0 [25] | 21.0 [25] | 21.0 [25] | 21.0 [25] |
| Share of PDT (%) [28] | 5.0 | 9.2 | 17.1 | 8.6 | 19.2 | 6.0 | 1.0 | 33.9 |
| Treatment costs (\$) | | | | | | | | |
| Initial 3-mo drug cost [29,30] | 576.41 | 371.09 | 162.41 | 439.83 | 154.55 | 589.04 | 1,229.27 | 262.63 |
| Initial 3-mo physician cost [31,32] | 167.50 | 0.00 | 0.00 | 192.84 | 184.06 | 287.65 | 169.95 | 153.82 |
| Cost—subsequent 3 mo [29] | 590.23 | 371.09 | 162.41 | 474.28 | 188.20 | 667.51 | 1,340.30 | 309.89 |
| Discon drug cost [29,30] | 0.00 | 0.00 | 0.00 | 94.62 | 27.57 | 190.34 | 632.28 | 44.01 |
| Discon provider cost [31,32] | 94.80 | 0.00 | 0.00 | 106.03 | 222.28 | 183.89 | 92.62 | 117.47 |
| 3-mo persistent AE probabilities (%) | | | | | | | | |
| Symptomatic ulcer [33] | 0.04‡ | 0.09 | 0.28 | 0.04‡ | 0.04‡ | 0.04‡ | 0.04‡ | 0.04‡ |
| Complicated GI bleed [33] | 0.02‡ | 0.05 | 0.07 | 0.02‡ | 0.02‡ | 0.02‡ | 0.02‡ | 0.02‡ |
| Myocardial infarction [33] | 0.06‡ | 0.15 | 0.06 | 0.06‡ | 0.06‡ | 0.06‡ | 0.06‡ | 0.06‡ |
| Stroke [33] | 0.03‡ | 0.03 | 0.08 | 0.03‡ | 0.03‡ | 0.03‡ | 0.03‡ | 0.03‡ |
| Heart failure [33] | 0.01‡ | 0.04 | 0.09 | 0.01‡ | 0.01‡ | 0.01‡ | 0.01‡ | 0.01‡ |
| Fracture | 0.40 [34] | 0.40 [35] | 0.45 [35] | 0.66 [36] | 0.59‡ | 0.59 [35] | 0.89‡ | 0.89 [35] |
| 3-mo transient AE probabilities (%) | | | | | | | | |
| Dyspepsia | 7.52‡ [33] | 12.45 [33] | 14.96 [33] | 7.52‡ [33] | 7.52‡ [33] | 7.52‡ [33] | 7.52‡ [33] | 7.52‡ [33] |
| Nausea | 8.30* | 2.80** | 5.00** | 7.90 [37] | 37.20‡ | 37.20** | 21.00 [38] | 19.10* |
| Diarrhea | 5.70* | 4.40** | 4.10** | 3.90 [37] | 5.90‡ | 5.90** | 0.50 [38] | 6.10 |
| Constipation | 7.60* | 1.80** | 3.30** | 5.30 [37] | 38.20‡ | 38.20** | 17.00 [38] | 15.10 |
| Insomnia | 3.70* | 2.30** | 1.10** | 1.10†† | 7.30‡ | 7.30** | 4.00 [38] | 7.30 |
| Pruritus | 0.60* | 1.80** | 2.10** | 0.60†† | 13.70‡ | 13.70** | 5.00 [38] | 8.60 |
| Vomiting | 0.30* | 1.30** | 0.70** | 3.90 [37] | 17.10‡ | 17.10** | 8.00 [38] | 6.90 |
| Dizziness | 5.40* | 1.70** | 1.30** | 35.50 [37] | 20.7‡ | 20.7** | 17.00 [38] | 15.20 |
| Somnolence | 4.00* | 0.30** | 0.30** | 19.70 [37] | 21.30‡ | 21.30** | 12.00 [38] | 9.40 |
| Opioid abuse | 0.00 | 0.00 | 0.00 | 0.00 | 3.34‡ | 3.34 [39] | 3.34 [38] | 0.04 |
| Relative risk with PPI usage | | | | | | | | |
| Symptomatic ulcer | 0.49 [40] | 0.25 [33] | 0.37 [33] | 0.49 [40] | 0.49 [40] | 0.49 [40] | 0.49 [40] | 0.49 [40] |
| Complicated GI bleed | 0.49 [40] | 0.25 [33] | 0.46 [33] | 0.49 [40] | 0.49 [40] | 0.49 [40] | 0.49 [40] | 0.49 [40] |
| Dyspepsia | 0.49 [40] | 0.25 [33] | 0.43 [33] | 0.49 [40] | 0.49 [40] | 0.49 [40] | 0.49 [40] | 0.49 [40] |

AE, adverse event; APAP, acetaminophen; BID, twice a day; CLBP, chronic low back pain; discon, discontinuation; ER, extended release; GI, gastrointestinal; IR, immediate release; OA, osteoarthritis; PDT, postdiscontinuation therapy; PPI, proton pump inhibitor; QD, once a day; Q6h, every 6 hours; RCT, randomized controlled trial.

* Meta-analysis of CLBP RCTs.
 § Assumed the same as duloxetine.
 ‡ Assumed the same as oxycodone.
 † Meta-analysis of OA RCTs.
 || Expert opinion.

Table 2 – Persistent AE characteristics.

| | Adverse event | | | | | |
|-----------------------------|-------------------|----------------------|-----------------------|----------------|----------------|---------------|
| | Symptomatic ulcer | Complicated GI bleed | Myocardial infarction | Stroke | Heart failure | Fracture |
| Cost (3 mo) (\$) | | | | | | |
| During | 1,868 [33,41,42] | 10,403 [41,42] | 29,345 [43,44] | 19,109 [43,44] | 11,006 [43,45] | 5,044 [46,47] |
| Post | 252 [41,42] | 238 [42] | 750 [48] | 616 [49] | 1,867 [50] | 247 [46,47] |
| Utility weight | | | | | | |
| During | 0.550 [51] | 0.460 [51] | 0.370 [33] | 0.350 [33] | 0.710 [33] | 0.880 [46,52] |
| Post | 0.978 [33] | 0.978 [33] | 0.878 [33] | 0.708 [33] | 0.998 [33] | 0.952 [46,52] |
| Excess mortality (3 mo) (%) | | | | | | |
| During | 0.00 [33] | 4.30 [51] | 16.15 [53] | 15.80 [54] | 7.48 [55] | 0.210 [46,56] |
| Post | 0.00 [33] | 1.107 [51] | 4.32 [53] | 1.69 [54] | 2.61 [55] | 0.025 [46] |
| Age-related relative risk | | | | | | |
| <65 y | 1.00 [33] | 1.00 [33] | 1.00 [33] | 1.00 [33] | 1.00 [33] | 1.00 [46] |
| 65 y + | 2.93 [57] | 2.93 [57] | 2.45 [58] | 2.45 [58] | 2.45 [58] | 1.61 [46] |

AE, adverse event; GI, gastrointestinal.

Table 3 – Transient AE characteristics.

| | Event cost (\$) | 3-mo costs (\$) | Cost of physician visit (\$) [31] | Utility weight during event | Days of treatment* | Duration-adjusted cost (\$) |
|--------------|-----------------|-----------------------|-----------------------------------|-----------------------------|--------------------|-----------------------------|
| Dyspepsia | 28 | 49 [41,42] | 76 | 0.730 [33] | 27.8 | 119 |
| Nausea | 0 | 6 [†] [29] | 76 | 0.887 [59] | 12.5 | 77 |
| Diarrhea | 0 | 6 [†] [29] | 76 | 0.900 [59] | 18.6 | 77 |
| Constipation | 539 [60] | 66 [†] [29] | 76 | 0.888 [59] | 39.1 | 720 |
| Insomnia | 0 | 282 [†] [29] | 76 | 0.887 [59] | 34.5 | 259 |
| Pruritus | 0 | 47 [†] [29] | 76 | 0.958 [59] | 31.8 | 169 |
| Vomiting | 0 | 6 [†] [29] | 76 | 0.887 [59] | 3.8 | 76 |
| Dizziness | 0 | 0 | 76 | 0.887 [59] | 15.5 | 76 |
| Somnolence | 0 | 0 | 76 | 0.887 [59] | 28.8 | 76 |
| Opioid abuse | 5471 [60] | NA | NA | 0.800 [61] | 91.0 | 5471 |

AE, adverse event; NA, not applicable.

* Expert opinion.

[†] Treatment and dosing from Lilly September 8, 2011.

Table 4 – Base-case incremental results.

| Treatment | Total cost (\$)* | QALYs† | Life years† | Incremental cost (\$)* | Incremental QALYs† | ICER |
|-----------------|------------------|----------------|----------------|------------------------|--------------------|----------------------|
| Tapentadol ER | 54,559 | 12.2029 | 17.3682 | | | Dominated |
| Oxycodone ER | 52,820 | 12.1974 | 17.3644 | | | Dominated |
| Oxycodone/APAP | 51,834 | 12.1973 | 17.3654 | | | Dominated |
| Duloxetine | 51,450 | 12.2123 | 17.3682 | 1,333 | 0.0224 | \$59,473 |
| Pregabalin | 51,338 | 12.1884 | 17.3696 | | | Dominated |
| Tramadol IR | 51,218 | 12.2043 | 17.3675 | | | Dominated (extended) |
| Celecoxib | 50,438 | 12.1887 | 17.3166 | | | Dominated |
| <u>Naproxen</u> | <u>50,117</u> | <u>12.1899</u> | <u>17.3252</u> | | | |

APAP, acetaminophen; ER, extended release; ICER, incremental cost-effectiveness ratio; IR, immediate release; QALYs, quality-adjusted life-years.

* Costs discounted at 3%.

† Life years and QALYs discounted at 3%.

$$\frac{\text{Cost Duloxetine (51,450)} - \text{Cost Naproxen (50,117)}}{\text{QALY of Duloxetine (12.2123)} - \text{QALY of Naproxen (12.1899)}} = 1,333 / 0.0224 = \$59,473 / \text{QALY}$$

Cost Effectiveness Plane

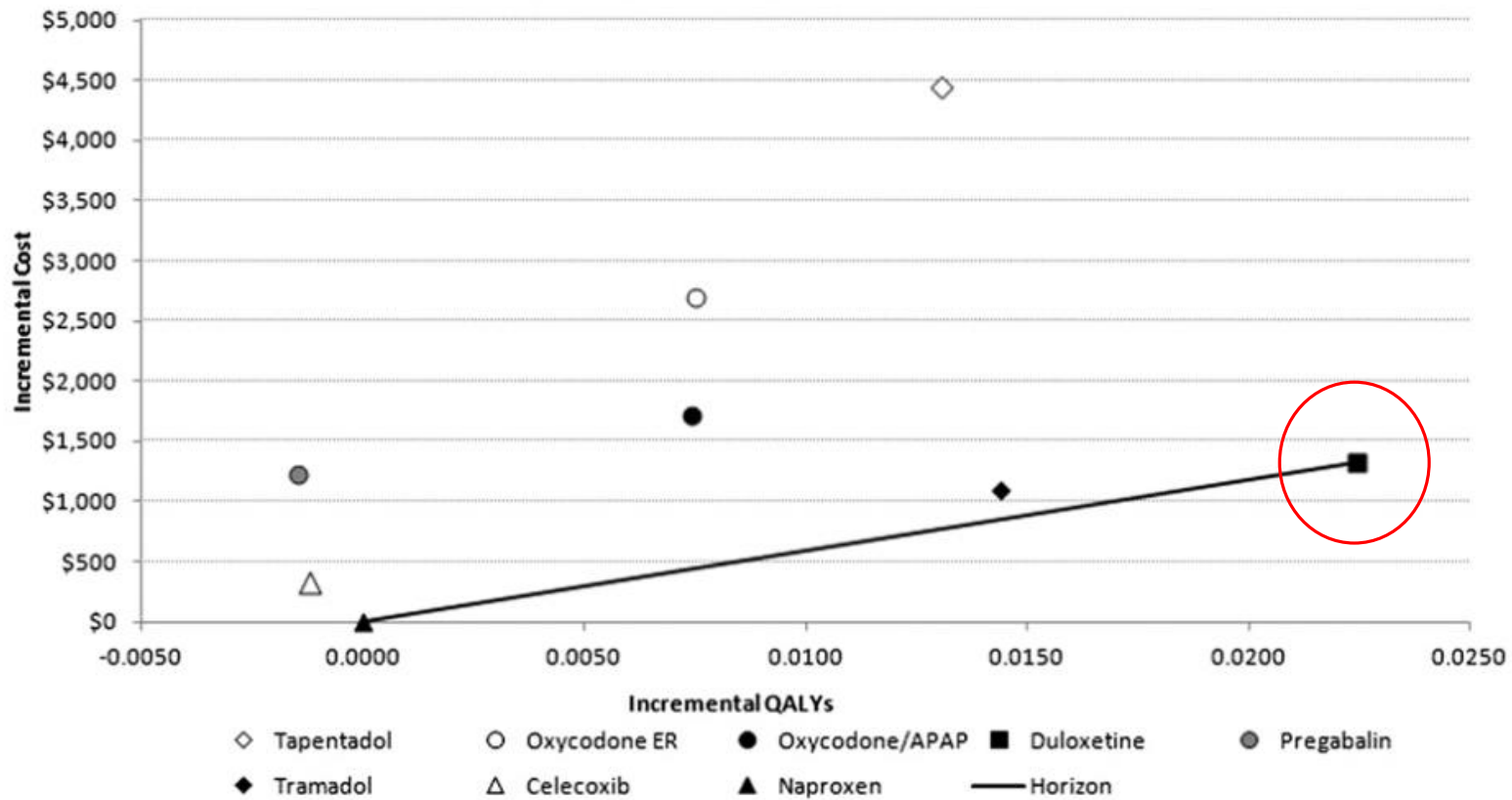


Fig. 2 – Cost-effectiveness plane with naproxen and duloxetine on the cost-effectiveness horizon. APAP, acetaminophen; ER, extended release; QALY, quality-adjusted life-year.

ICER Ranges for One-way Analyses, Duloxetine vs. Naproxen (1000s)

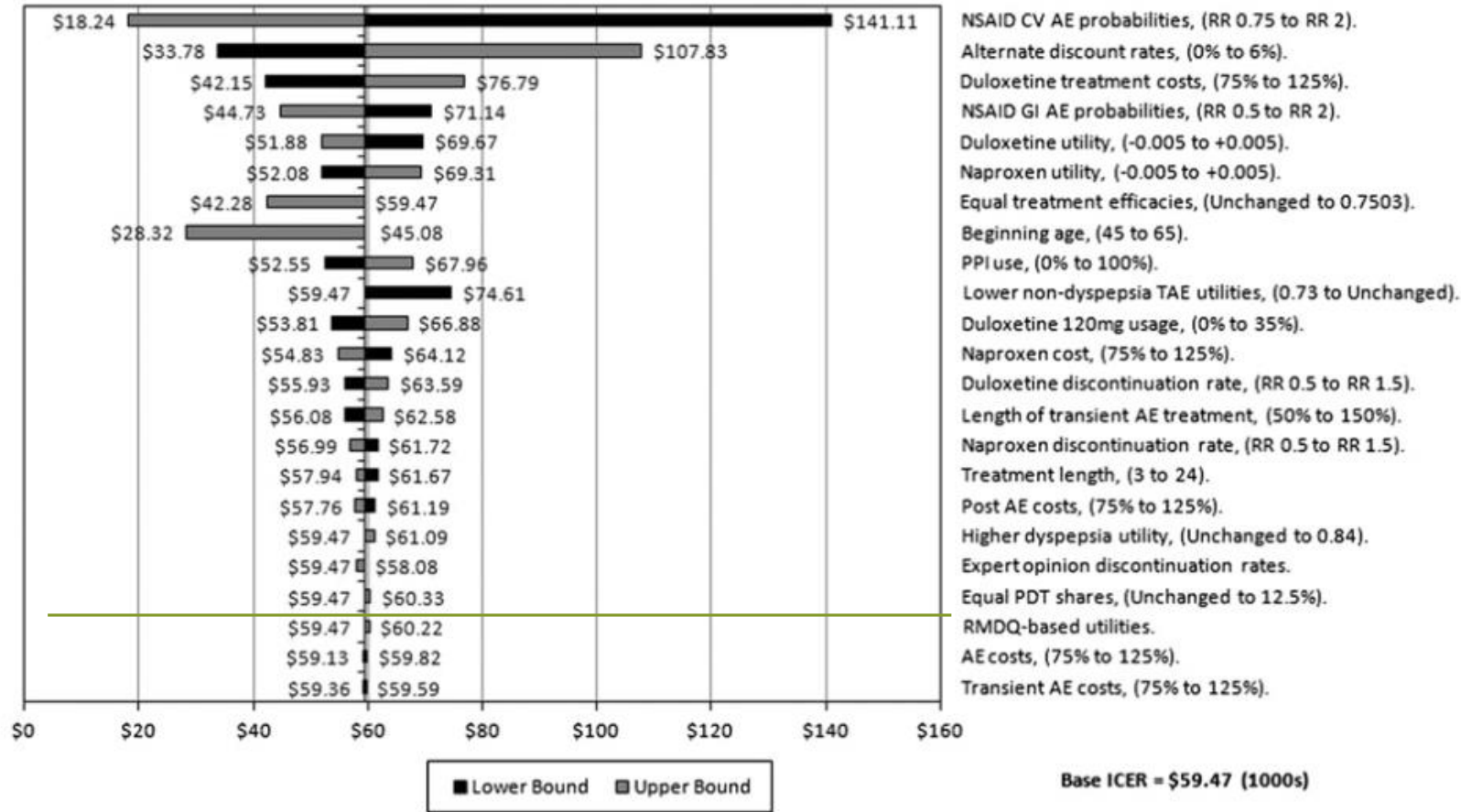


Fig. 3 – Tornado diagram of one-way sensitivity analyses. AE, adverse event; CV, cardiovascular; GI, gastrointestinal; ICER, incremental cost-effectiveness ratio; NSAID, nonsteroidal anti-inflammatory drug; PDT, postdiscontinuation therapy; PPI, proton pump inhibitor; RMDQ, Roland Morris Disability Questionnaire; RR, relative risk; TAE, transient adverse event.

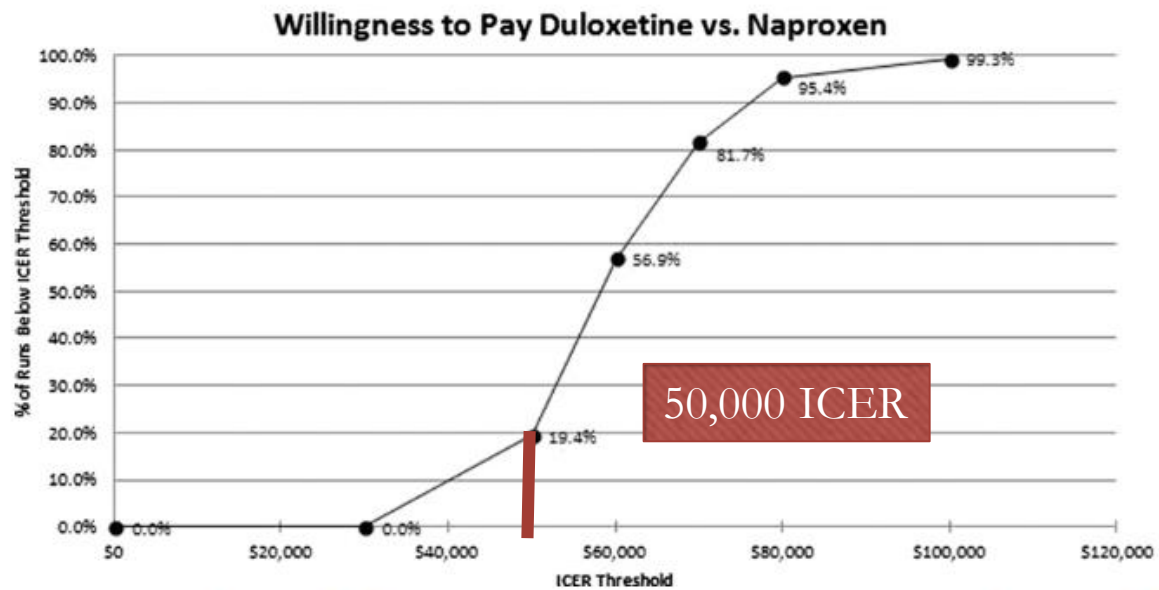
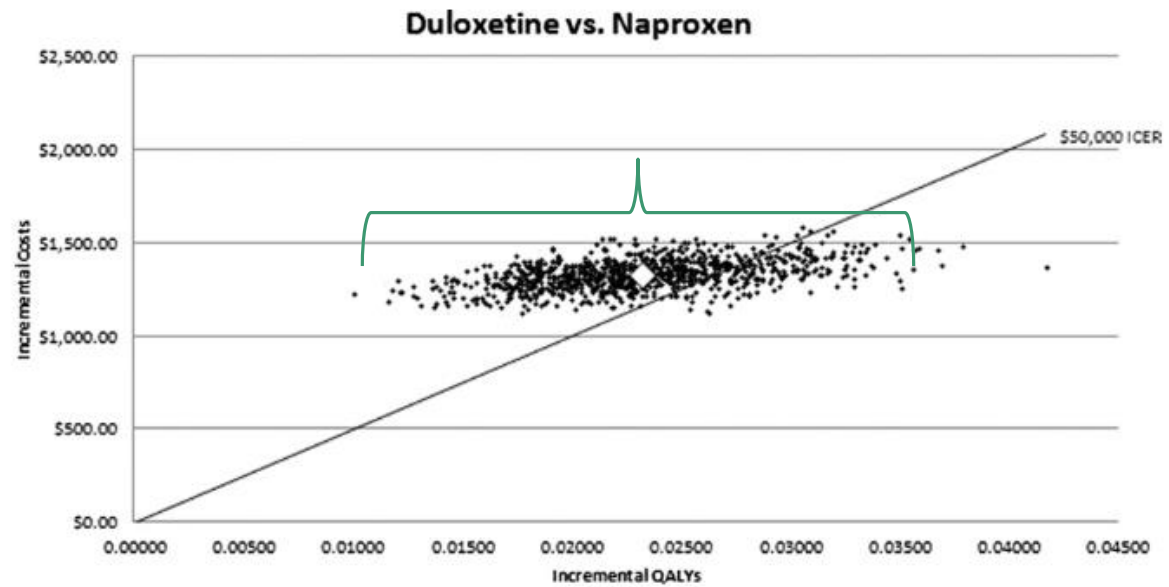
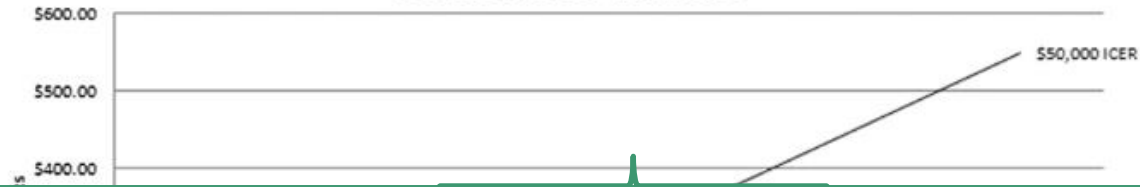


Fig. 4 – Probabilistic sensitivity analysis of duloxetine versus naproxen. ICER, incremental cost-effectiveness ratio; QALY, quality-adjusted life-year.

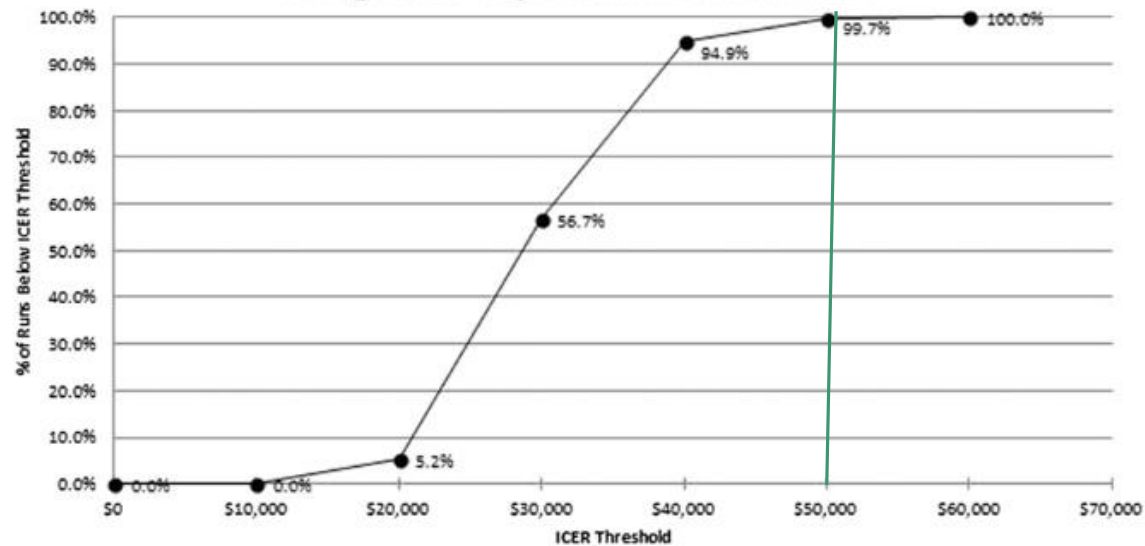
Duloxetine vs. Tramadol



1. The model estimated an ICER of \$59,473 for duloxetine over naproxen.
2. ICER under \$30,000 were estimated for duloxetine over non-NSAIDs (Opioids)
3. In the higher risk of NSAID-related AEs, the ICER over naproxen was \$33,105 or lower.

Duloxetine appears to be a cost-effective post-first-line treatment for CLBP compared with all but generic NSAIDs.

Willingness to Pay Duloxetine vs. Tramadol

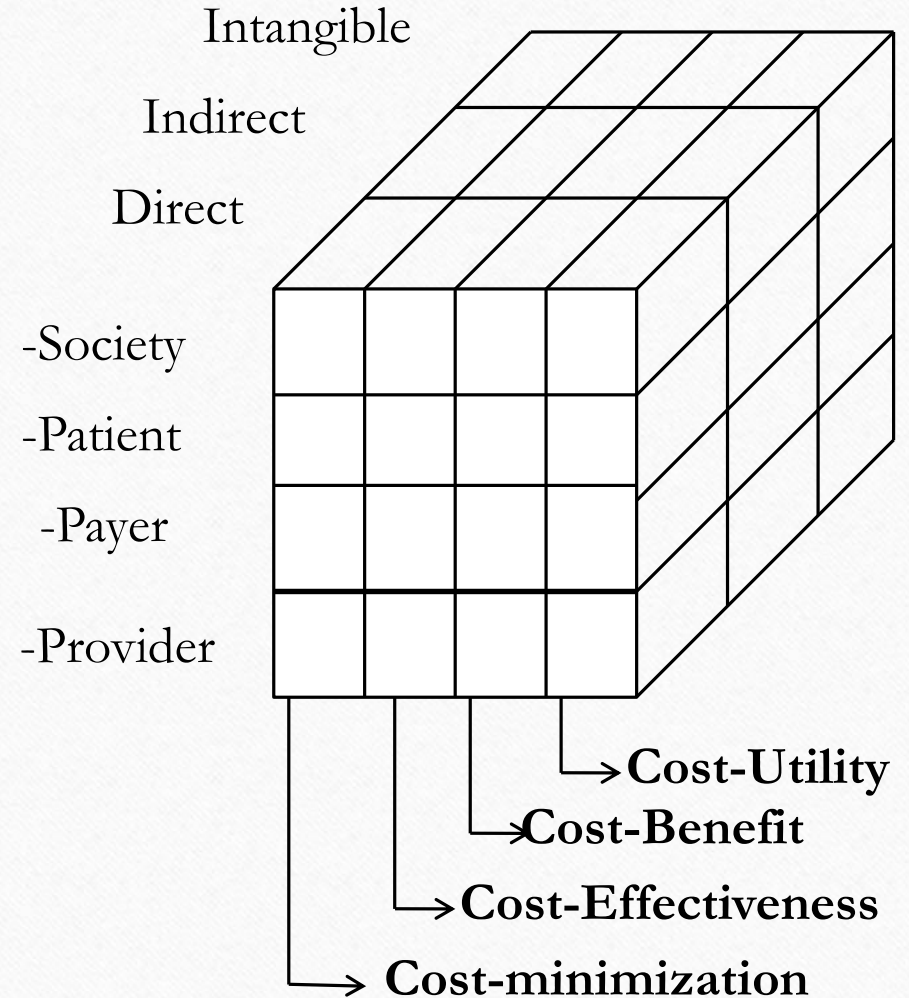


Topics of my talk

- What is Health and Clinical Economics and its principles.
- Types of Health Economics
- Costs and types and Discounting
- Decision analysis
- Types of economic evaluation
- Sensitivity analysis

Cost

Point of View



เศรษฐศาสตร์สาธารณสุข (Health Economics)

ธรรมชาติย่อมเป็นไปได้หลายหลาก ข้อมูลแม้มากหาพอไม่
ประเมินค่าได้หลายอย่างต่างกันไป ทรัพยากรที่หาได้ไม่เคยพอ
ตัดสินใจบางครั้งยากลำบากยิ่ง ก็เนื่องจากความจริงทั้งสี่ข้อ
ตัดสินใจเพื่อคนไข้ไม่อาจรอ แต่ละข้อควรวิเคราะห์ให้เหมาะสม



Cost Effectiveness of Duloxetine for Osteoarthritis: A Quebec Study

RONALD C. WIELAGE,¹ AND
ROBERT W. KLEIN,¹ AND M

E,²

Table 1. Treatments*

| Therapy | Drug class | Dose |
|---------------|--------------------------|-------------------------|
| Duloxetine | SSNRI | 60 mg every day |
| Celecoxib | COX-2 inhibitor NSAID | 200 mg |
| Diclofenac | Nonselective NSAID | 100–150 mg |
| Naproxen | Nonselective NSAID | 750 mg |
| Hydromorphone | Strong opioid | 3–9 mg twice a day |
| Oxycodone | Strong opioid | 10–30 mg twice a day |

* SSNRI = selective serotonin and norepinephrine reuptake inhibitor; COX-2 = cyclooxygenase 2; NSAID = nonsteroidal antiinflammatory drug.

Table 2. Treatment costs

| Treatment | First 3-month drug cost | First 3-month physician cost | Subsequent 3-month cost | Discontinuation drug cost | Discontinuation physician cost |
|----------------------------------|-------------------------|------------------------------|-------------------------|---------------------------|--------------------------------|
| Duloxetine 60 mg | \$335.26* | \$65.32† | \$340.31‡ | \$0.00§ | \$44.63† |
| Celecoxib 200 mg | \$126.04‡ | \$0.00 | \$126.04‡ | \$0.00 | \$0.00 |
| Diclofenac 100–150 mg | \$47.78‡ | \$0.00 | \$47.78‡ | \$0.00 | \$0.00 |
| Hydromorphone 3–9 mg twice a day | \$83.43‡ | \$83.63† | \$94.26‡ | \$27.73§ | \$63.46† |
| Naproxen 750 mg | \$36.14‡ | \$0.00 | \$36.14‡ | \$0.00 | \$0.00 |
| Oxycodone 10–30 mg twice a day | \$224.87‡ | \$83.63† | \$257.22‡ | \$99.19§ | \$63.46† |

* Provided by Lilly Canada.

† Calculated from the Ministry of Health and Long-Term Care (2010) (34), guided by expert opinion solicited by questionnaire.

‡ Calculated from IMS-Brogan (2010) (33).

§ Calculated from IMS-Brogan (2010) (33), using tapering calculated by the Washington State Department of Social and Health Services, 2010 (32).

Table 3. Results of the base-case incremental cost-effectiveness analysis*

| Treatment | Cost over naproxen† | QALYs over naproxen† | ICER vs. baseline‡ | Incremental cost§ | Incremental QALYs‡ | ICER |
|---------------------|---------------------|----------------------|--------------------|---------------------|-----------------------|-------------------------|
| Oxycodone | \$1,722 | 0.0173 | \$99,456 | | | Dominated |
| Hydromorphone | \$1,394 | 0.0165 | \$84,636 | | | Dominated |
| Duloxetine | \$937 | 0.0284 | \$32,960 | \$806 vs. celecoxib | 0.0222 vs. celecoxib | \$36,291 vs. celecoxib |
| Celecoxib | \$131 | 0.0062 | \$21,056 | \$68 vs. diclofenac | 0.0024 vs. diclofenac | \$28,258 vs. diclofenac |
| Diclofenac | \$63 | 0.0038 | \$16,491 | \$63 vs. naproxen | 0.0038 vs. naproxen | \$16,491 vs. naproxen |
| Naproxen (baseline) | – | – | – | – | – | – |

* QALYs = quality-adjusted life years; ICER = incremental cost-effective ratio.

† Costs and QALYs discounted at 5.0%. “Baseline” is the least expensive treatment.

‡ “Baseline” is the least expensive treatment.

§ Costs and QALYs discounted at 5.0%.

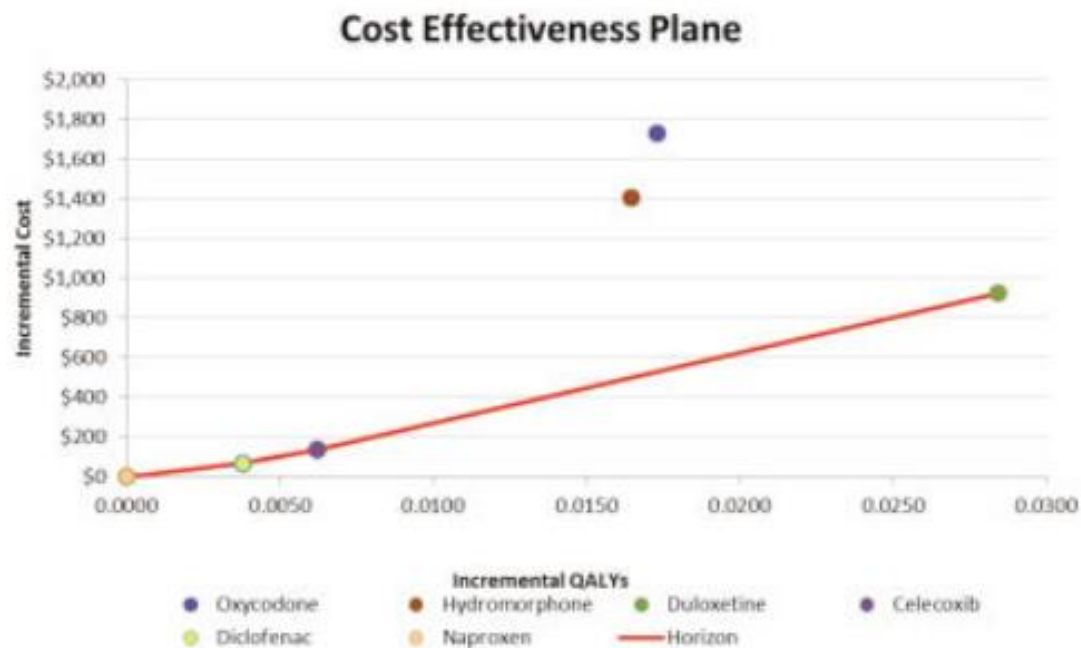


Figure 1. Cost-effectiveness plane of the base-case analysis based on the Quebec societal perspective. QALYs = quality-adjusted life years.

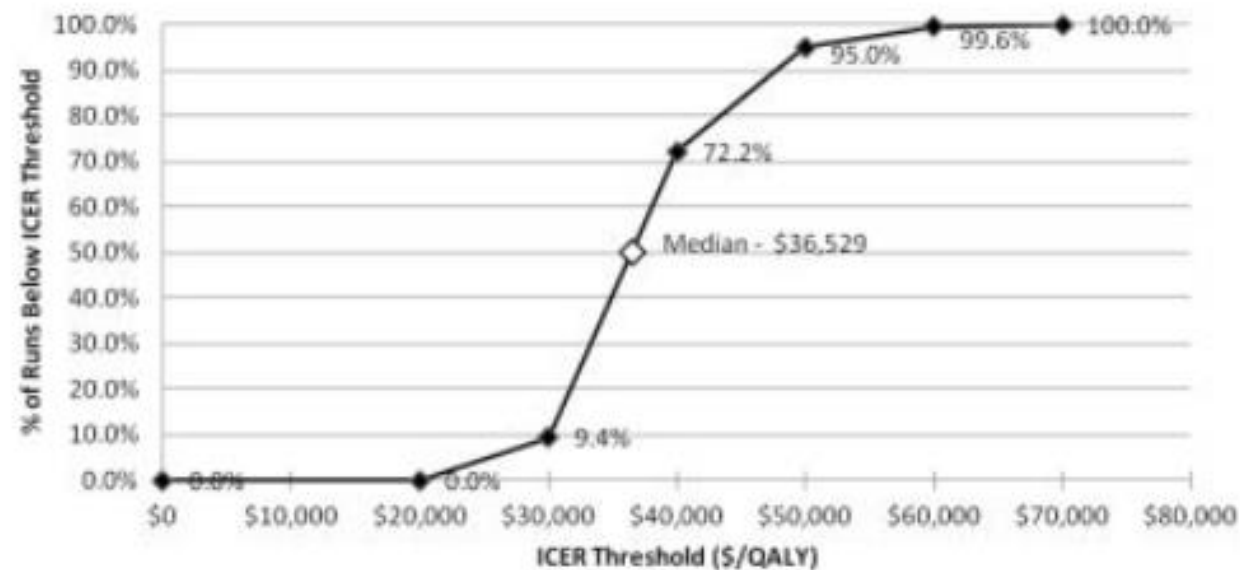


Figure 3. Cost-effectiveness acceptability curve for the base-case analysis showing willingness to pay for duloxetine versus celecoxib. ICER = incremental cost-effective ratio; QALY = quality-adjusted life year.

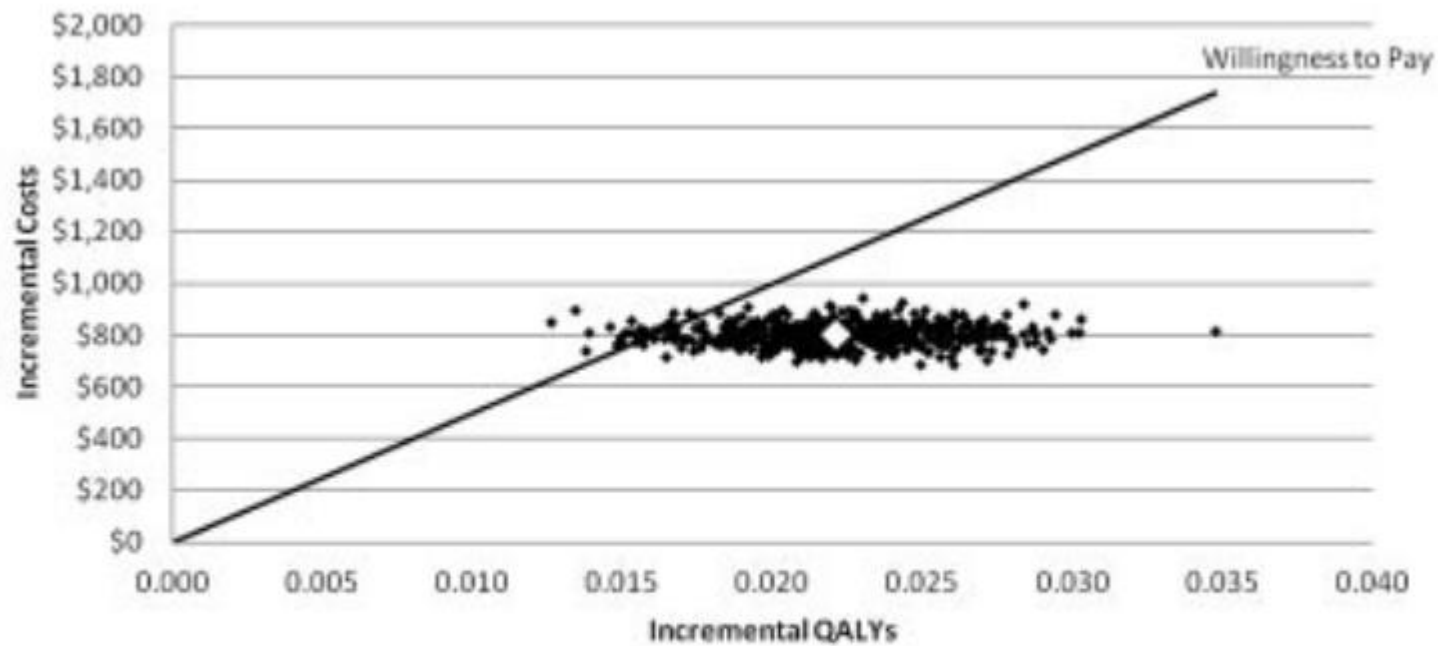


Figure 2. Probabilistic sensitivity analysis of duloxetine versus celecoxib, with the white diamond showing the base-case scenario. QALYs = quality-adjusted life years.

Hopkins *et al.* *BMC Musculoskeletal Disorders* 2011, **12**:209
<http://www.biomedcentral.com/1471-2474/12/209>



RESEARCH ARTICLE

Open Access

The relative efficacy of nine osteoporosis medications for reducing the rate of fractures in post-menopausal women

Robert B Hopkins^{1,2*}, Ron Goeree^{1,2,3}, Eleanor Pullenayegum^{1,3,4}, Jonathan D Adachi⁵, Alexandra Papaioannou⁵, Feng Xie^{1,2,3} and Lehana Thabane^{1,3,4}

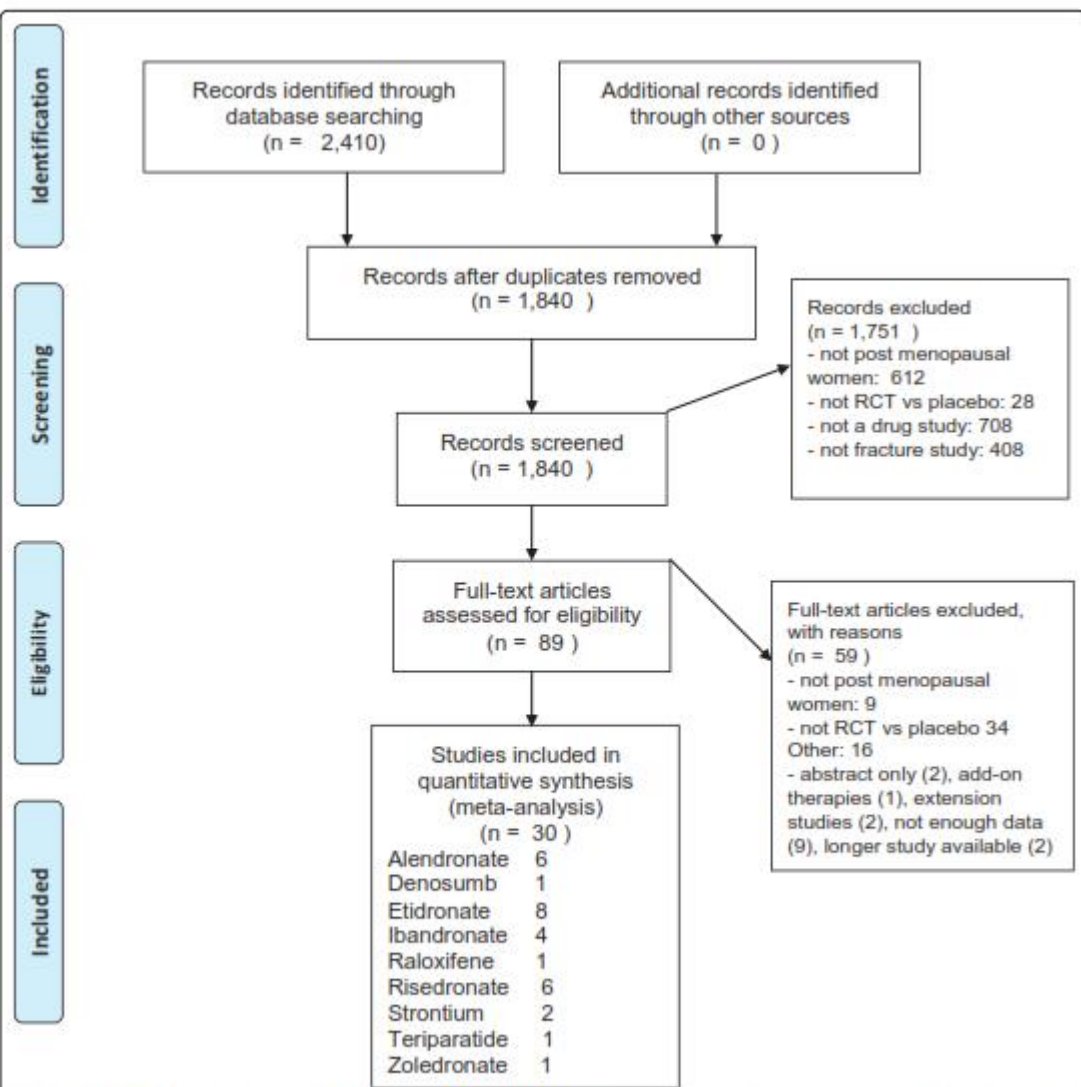


Figure 1 PRISMA Flow Diagram describing selection process for included studies. PRISMA (Preferred Reporting Items for Systematic Reviews and Meta-Analyses) Flow Diagram describing selection process for included studies.

Table 1 Description of Study and Baseline Characteristics for Included Studies

| Drug | Author Year | Study Duration (years) | Country/Region | Number of Centres | Age (yrs) Mean (SD) | Years Menopause Inclusion Criteria | Years Since Menopause Mean (SD) | BMD Hip g/cm ² Mean (SD) | Prior Vertebral Fracture % |
|--------------|-------------------|------------------------|-----------------------|-------------------|---------------------|------------------------------------|---------------------------------|-------------------------------------|----------------------------|
| Alendronate | Ascott Evans 2003 | 1 | International | 18 | 67.3 (6.6) | 3 | 11.5 (7.3) | nr | 0 |
| Alendronate | Black 1996 | 3 | North America | 11 | 71.0 (5.6) | 2 | NR (NR) | 0.57 (0.07) | 100 |
| Alendronate | Cummings 1998 | 4 | North America | 11 | 67.6 (6.1) | 2 | NR (NR) | 0.84 (0.13) | 0 |
| Alendronate | Greenspan 1998 | 2.5 | North America | 1 | 70.0 (4.6) | NR | NR (NR) | 0.57 (0.11) | NR |
| Alendronate | Lieberman 1995 | 3 | International | NR | 64.0 (7.0) | 5 | 16.5 (NR) | 0.71 (NR) | 21 |
| Alendronate | Pols 1999 | 1 | International | 153 | 62.8 (7.4) | 3 | 15.9 (1.5) | 0.72 (0.08) | NR |
| Denosumab | Cummings 2009 | 4 | North America | 11 | 67.7 (6.6) | 2 | NR (NR) | 0.84 (0.13) | 0 |
| Etidronate | Lyritys 1997 | 4 | Europe | 1 | 72.0 (0.4) | NR | 25.8 (1.7) | 0.57 (NR) | 100 |
| Etidronate | Meunier 1997 | 4 | Europe | 1 | 52.7 (4.0) | 0.5 | 2.4 (91.8) | 0.90 (NR) | NR |
| Etidronate | Montesori 1997 | 3 | Europe | 2 | 62.5 (6.2) | 1 | 14.9 (6.1) | 0.67 (NR) | 29 |
| Etidronate | Pacifici 1988 | 2 | U.S.A | 1 | 61.0 (7.8) | NR | 13.8 (9.5) | 0.79 (0.26) | 100 |
| Etidronate | Pouilles 1997 | 2 | Europe | 7 | 53.8 (3.1) | 0.5 | 2.6 (1.4) | 0.96 (NR) | NR |
| Etidronate | Storm 1990 | 3 | Europe | 1 | 68.3 (7.3) | NR | 21.6 (10.2) | 0.25 (0.07) | 100 |
| Etidronate | Watts 1990 | 2 | U.S.A | 7 | 65.1 (13.0) | 1 | 17.9 (16.5) | 0.86 (NR) | 100 |
| Etidronate | Wimalawansa 1998 | 4 | NR | NR | 64.9 (7.8) | NR | 15.1 (6.8) | 0.83 (NR) | 100 |
| Ibandronate | Chesnut 2004 | 3 | Europe, U.S.A | 73 | 69.0 (11.0) | 5 | 21 (20.8) | 0.78 (NR) | 93 |
| Ibandronate | Ravn 2002 | 1 | Europe | 1 | 64.5 (5.9) | 10 | NR (NR) | 0.87 (0.13) | 28 |
| Ibandronate | Adami 2004 | 1 | Europe | NR | 65.9 (4.5) | 5 | 17.9 (4.0) | 0.77 (0.09) | 45 |
| Ibandronate | Recker 2004 | 3 | Europe | NR | 67.0 (5.1) | 5 | NR (NR) | 0.80 (0.11) | 54 |
| Raloxifene | Ettinger 1999 | 3 | International | 180 | 66.1 (6.9) | 2 | 18.6 (7.9) | 0.58 (NR) | 38 |
| Risedronate | Fogelman 2000 | 2 | Europe | 13 | 64.7 (7.2) | 1 | 17.7 (9.4) | 0.74 (0.08) | 30 |
| Risedronate | Harris 1999 | 3 | North America | 110 | 69.0 (7.3) | 5 | 24.0 (9.9) | 0.83 (0.16) | 81 |
| Risedronate | Hooper 2005 | 2 | Australia | 11 | 52.6 (3.3) | 0.5 | 3.9 (5.6) | 1.08 (0.12) | 18.3 |
| Risedronate | McClung 2001 | 3 | International | 183 | 78.0 (9.7) | NR | 31.8 (19.3) | NR (NR) | 42 |
| Risedronate | Mortenson 1998 | 2 | International | 2 | 51.2 (3.8) | 0.5 | 2.7 (91.7) | 0.94 (0.11) | NR |
| Risedronate | Reginster 2000 | 3 | Europe, Australia | 80 | 71.0 (7.0) | 5 | 24.4 (8.5) | 0.79 (0.15) | 100 |
| Strontium | Meunier 2004 | 3 | Europe, International | 72 | 69.3 (7.3) | 5 | 43.7 (8.7) | 0.68 (0.11) | 100 |
| Strontium | Reginster 2008 | 3.5 | International | 75 | 76.7 (5.0) | 0 | 28.4 (7.4) | 0.55 (NR) | 33.5 |
| Teriparatide | Neer 2001 | 2 | International | 99 | 69.0 (7.0) | 5 | 21.0 (8.0) | 0.82 (0.17) | 100 |
| Zoledronate | Black 2007 | 3 | U.S.A, Europe | 60 | 73 (5.4) | 0 | NR (NR) | 0.65 (0.91) | 36.7 |

NR: Not reported. BMD: Bone Mineral Density. SD: Standard deviation. U.S.A: United States of America

Table 3 Odds Ratio for Fracture, Indirect Treatment Comparison between drugs (Bayesian analysis)

| | Non-vertebral fracture | | Vertebral fracture | | Hip fracture | | Wrist fracture | |
|---------------------------------|------------------------|-------|--------------------|--------|--------------------|--------|---------------------|-------|
| | OR (95% CrI) | NNT | OR (95% CrI) | NNT | OR (95% CrI) | NNT | OR (95% CrI) | NNT |
| Denosumab vs Alendronate | 0.99 (0.72, 1.42) | 1,063 | 0.63 (0.38, 0.97) | 26 | 1.30 (0.38, 3.35) | -180 | NR | NR |
| Denosumab vs Etidronate | 1.26 (0.59, 2.69) | -42 | 0.58 (0.26, 1.15) | 23 | 1.43 (0.13, 5.97) | -126 | NR | NR |
| Denosumab vs Ibandronate | 0.89 (0.61, 1.31) | 96 | 0.67 (0.35, 1.19) | 30 | NR | NR | NR | NR |
| Denosumab vs Raloxifene | 0.87 (0.59, 1.30) | 81 | 0.51 (0.29, 0.83) | 20 | 0.71 (0.14, 1.89) | 184 | NR | NR |
| Denosumab vs Risedronate | 1.04 (0.76, 1.54) | -267 | 0.53 (0.32, 0.82) | 21 | 0.94 (0.27, 2.24) | 893 | NR | NR |
| Denosumab vs Teriparatide | 1.29 (0.73, 2.26) | -38 | 1.06 (0.50, 1.99) | -169 | 3.24 (0.17, 16.89) | -25 | NR | NR |
| Denosumab vs Zoledronic Acid | 1.08 (0.73, 1.62) | -134 | 1.16 (0.66, 1.88) | -65 | 1.36 (0.30, 3.48) | -150 | NR | -14 |
| Etidronate vs Alendronate | 0.79 (0.38, 1.61) | 50 | 1.22 (0.54, 2.28) | -48 | 1.91 (0.20, 7.43) | -60 | 3.48 (0.22, 16.27) | NR |
| Ibandronate vs Alendronate | 1.13 (0.82, 1.60) | -83 | 1.00 (0.54, 1.69) | 20,428 | NR | NR | NR | NR |
| Ibandronate vs Etidronate | 1.44 (0.68, 3.06) | -25 | 0.92 (0.37, 1.95) | 121 | NR | NR | NR | -22 |
| Raloxifene vs Alendronate | 1.12 (0.82, 1.55) | -90 | 1.28 (0.78, 1.98) | -38 | 2.47 (0.71, 6.55) | -38 | 2.60 (0.08, 11.84) | -39 |
| Raloxifene vs Etidronate | 1.41 (0.68, 2.96) | -27 | 1.17 (0.53, 2.29) | -62 | 2.76 (0.24, 11.66) | -32 | 1.87 (0.03, 9.82) | NR |
| Raloxifene vs Ibandronate | 1.02 (0.70, 1.49) | -533 | 1.36 (0.71, 2.38) | -29 | NR | NR | NR | -108 |
| Risedronate vs Alendronate | 0.95 (0.71, 1.23) | 212 | 1.21 (0.79, 1.79) | -50 | 1.47 (0.62, 3.31) | -115 | 1.31 (0.10, 5.21) | 3,328 |
| Risedronate vs Etidronate | 1.19 (0.57, 2.49) | -57 | 1.11 (0.52, 2.18) | -95 | 1.65 (0.18, 6.64) | -84 | 0.99 (0.03, 4.68) | NR |
| Risedronate vs Ibandronate | 0.85 (0.60, 1.15) | 70 | 1.29 (0.71, 2.19) | -36 | NR | NR | NR | -25 |
| Risedronate vs Raloxifene | 0.84 (0.57, 1.15) | 65 | 0.98 (0.61, 1.51) | 622 | 0.79 (0.23, 1.96) | 254 | 2.39 (0.05, 11.67) | -10 |
| Strontium vs Alendronate | 1.06 (0.81, 1.44) | -178 | 1.18 (0.78, 1.71) | -58 | 1.89 (0.61, 4.70) | -61 | 4.78 (0.14, 21.71) | NR |
| Strontium vs Denosumab | 1.08 (0.75, 1.53) | -134 | 1.95 (1.20, 2.99) | -12 | 1.98 (0.44, 5.03) | -56 | NR | -13 |
| Strontium vs Etidronate | 1.36 (0.65, 2.86) | -31 | 1.08 (0.51, 2.07) | -127 | 2.09 (0.20, 8.75) | -50 | 3.72 (0.05, 17.44) | NR |
| Strontium vs Ibandronate | 0.95 (0.69, 1.34) | 212 | 1.26 (0.70, 2.15) | -40 | NR | NR | NR | -4 |
| Strontium vs Raloxifene | 0.94 (0.66, 1.34) | 176 | 0.96 (0.60, 1.46) | 243 | 1.03 (0.23, 2.66) | -1,789 | 10.85 (0.08, 41.99) | -6 |
| Strontium vs Risedronate | 1.12 (0.86, 1.57) | -90 | 0.99 (0.67, 1.43) | 1,890 | 1.37 (0.44, 3.10) | -146 | 8.00 (0.15, 38.56) | -3 |
| Strontium vs Teriparatide | 1.38 (0.80, 2.35) | -29 | 1.99 (0.95, 3.66) | -11 | 4.92 (0.26, 24.44) | -15 | 19.69 (0.12, 80.47) | NR |
| Strontium vs Zoledronic Acid | 1.17 (0.83, 1.66) | -64 | 2.17 (1.34, 3.34) | -10 | 1.93 (0.47, 4.98) | -59 | NR | -49 |
| Teriparatide vs Alendronate | 0.77 (0.46, 1.31) | 45 | 0.65 (0.31, 1.26) | 28 | 1.35 (0.07, 5.71) | -154 | 1.69 (0.04, 8.09) | -102 |
| Teriparatide vs Etidronate | 0.98 (0.40, 2.30) | 531 | 0.70 (0.39, 1.45) | 24 | 1.54 (0.03, 9.01) | -100 | 1.33 (0.02, 6.65) | NR |
| Teriparatide vs Ibandronate | 0.69 (0.40, 1.22) | 33 | 0.53 (0.25, 0.98) | 32 | NR | NR | NR | -13 |
| Teriparatide vs Raloxifene | 0.68 (0.39, 1.19) | 32 | 0.55 (0.26, 0.98) | 21 | 0.76 (0.03, 3.27) | 223 | 3.68 (0.02, 15.16) | -16 |
| Teriparatide vs Risedronate | 0.81 (0.49, 1.41) | 55 | 0.55 (0.34, 1.04) | 22 | 1.00 (0.05, 4.18) | NR | 3.20 (0.04, 14.42) | NR |
| Zoledronic Acid vs Alendronate | 0.91 (0.66, 1.30) | 117 | 0.56 (0.34, 0.88) | 22 | 1.24 (0.39, 3.16) | -225 | NR | NR |
| Zoledronic Acid vs Etidronate | 1.16 (0.55, 2.45) | -68 | 0.52 (0.23, 1.04) | 20 | 1.38 (0.12, 5.70) | -142 | NR | NR |
| Zoledronic Acid vs Ibandronate | 0.82 (0.56, 1.19) | 58 | 0.60 (0.31, 1.06) | 25 | NR | NR | NR | NR |
| Zoledronic Acid vs Raloxifene | 0.81 (0.54, 1.19) | 55 | 0.46 (0.26, 0.74) | 18 | 0.68 (0.15, 1.78) | 167 | NR | NR |
| Zoledronic Acid vs Risedronate | 0.96 (0.71, 1.41) | 265 | 0.48 (0.29, 0.74) | 18 | 0.91 (0.28, 2.07) | 595 | NR | NR |
| Zoledronic Acid vs Teriparatide | 1.19 (0.68, 2.08) | -57 | 0.95 (0.45, 1.83) | 216 | 3.11 (0.17, 16.12) | -26 | NR | NR |

NR: Not reported. Results are reported as Odds ratio.

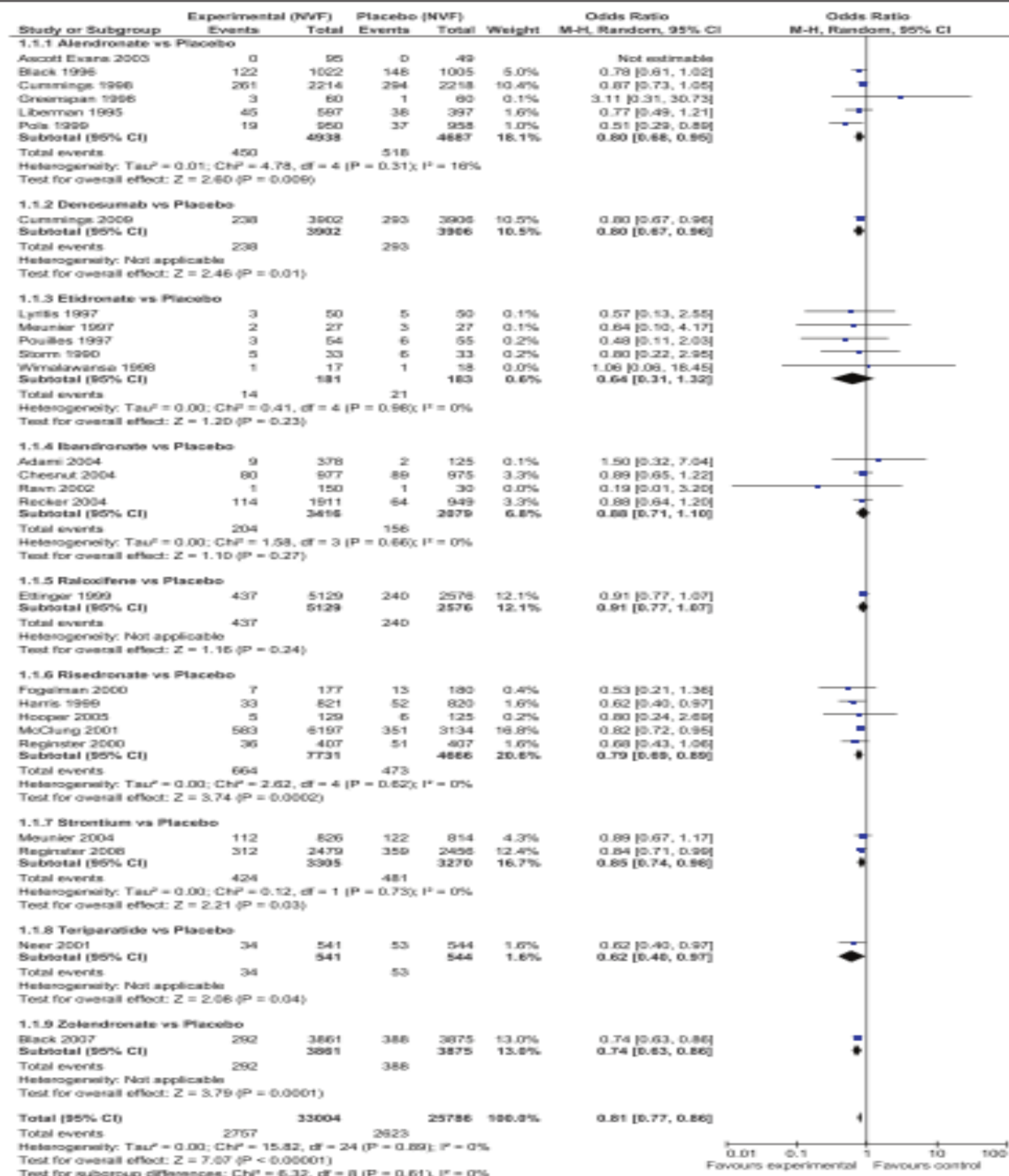


Figure 2 Forest plot non vertebral fractures. Odds ratio of non vertebral fractures for drugs versus placebo using Classical meta-analysis approach.

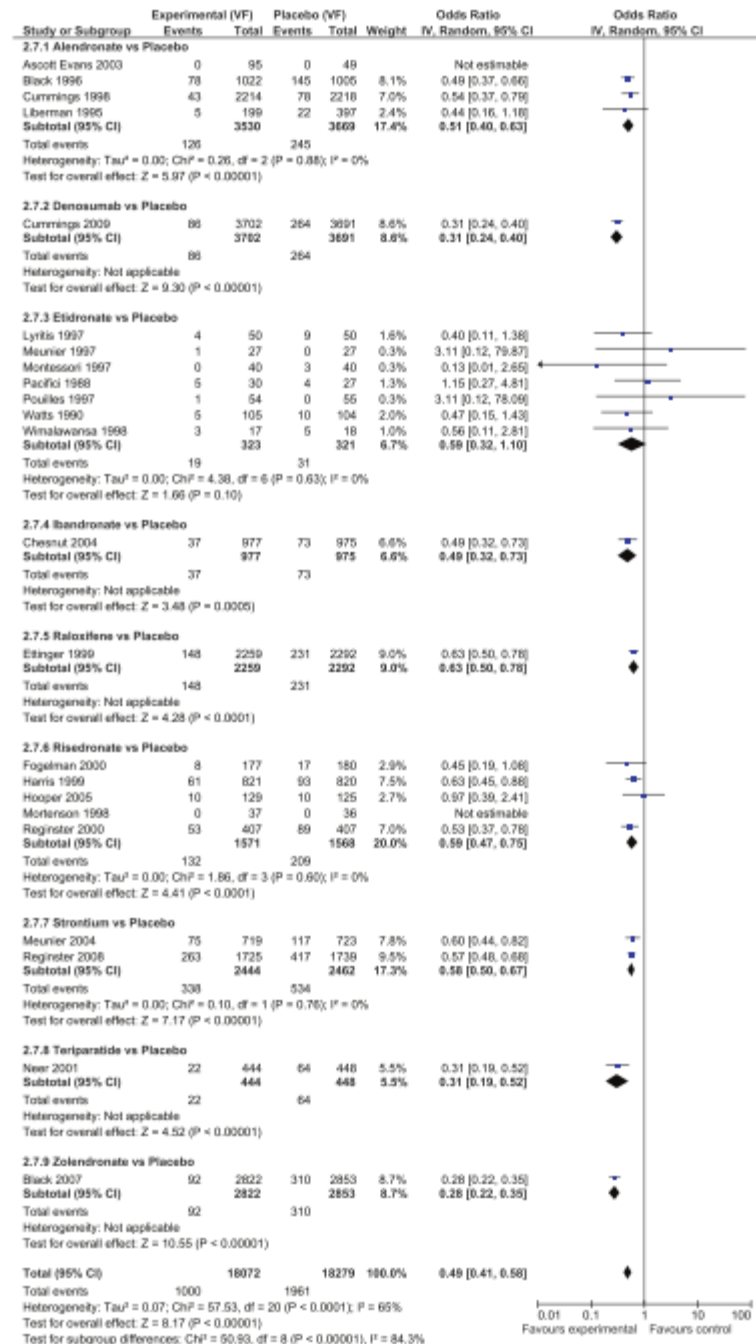


Figure 3 Forest plot vertebral fractures. Odds ratio of vertebral fractures for drugs versus placebo using Classical meta-analysis approach.